The Financial Times, November 8, 1975

FINANCIAL TIMES

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NEWS SUMMARY

GENERAL

Herrema freed: captors give up

Dr. Tiede Herrema, 52, the Dutch industrialist who was kidnapped in Ireland 36 days ago, was released by his captors last night. He walked out unharmed.

Giving the news, Mr. Patrick Cooney, Irish Justice Minister, said that the kidnappers, Eddie Gallagher and Marian Coyle, had thrown out their weapons and surrendered to police.

Dr. Herrema's release come 18 days *after police first encircled* the Monasterevin council house in which the industrialist was held in a cramped upstairs bedroom.

First of the captors to leave the house was Eddie Gallagher. Marian Coyle followed, and the pair were rushed away in police cars.

14 dead in Dutch naphtha explosion

At least 14 people died and 30 others were injured yesterday when a gas explosion, followed by fire, ripped through part of *the petrochemicals' area of* Dutch State Mines, the State-owned Dutch chemical company at Beek. Back Page

Franco rushed to hospital

General Franco, 82, was in very grave condition last night after a four-hour stomach operation to stem internal bleeding. Earlier he had been rushed to hospital. Prince Juan Carlos, Man of the Week, Back Page

More marchers head for Sahara

As some 100,000 Moroccan peace marchers remained under the guns of the Spanish army in the western Sahara yesterday there was still no hint of a diplomatic settlement of King Hassan's confrontation with Spain. A further wave of 100,000 marchers were expected to move into the area. Back Page

Mrs. Gandhi wins appeal

Mrs. Indira Gandhi, Prime Minister of India, yesterday won her Supreme Court appeal against lower court conviction barring her from elective office for six years on grounds of electoral and corrupt practices. Mrs. Gandhi's 1971 election to Parliament was also declared valid. Back Page. In Bangladesh, Maj.-Gen. Ziaur Rahman, re-emerged as the country's strong man. Page 11

Sadat shops for arms

President Sadat of Egypt yesterday discussed the purchase of defence equipment with Mr. Wilson and arms manufacturers. Egypt is particularly interested in the British Aircraft Corporation's Rapier missile for countering low-level raiders. Page 11. Picture, Page 9

Heenan dies

Cardinal Heenan, Archbishop of Westminster since 1963, died at Westminster Hospital, London, yesterday afternoon. The Cardinal, who was 70, had been admitted on Monday after a mild heart attack.

Wigan again

Dare Wigan's starred tips, including Norfolk Air (9-1), won for the second consecutive day, providing an 80½-1 treble. To-day's racing, Page 16

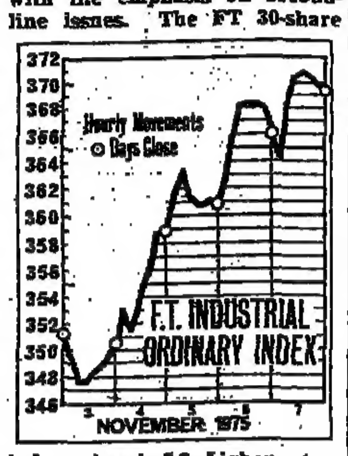
Tiger reprieved

Yellow Tag, the tiger which killed a Windsor Safaria Park game warden on Wednesday, will not now be destroyed, a Park director said last night. The tiger owes its life to numerous phone calls urging reprieve.

BUSINESS

Another new high for year in equities

● **EQUITIES** remained strong, with the emphasis on second-line issues. The FT 30-share



index closed 3.2 higher at a fresh peak for the year of 369.3 making an 18.1 gain on the week. The FT-Actuaries All-Share Index was also highest for the year with 0.6 per cent. rise to 157.41.

● **GILTS** were quiet till news of the IMF loan application, when in "after-hours" trading shorts gained ½ and longs ¼.

● **GOLD** lost $1½ to $144¼.

● **STERLING** lost 40 points to $2.0650; its weighted depreciation was unchanged at 29.3 per cent. The dollar was also unchanged at 2.78 per cent.

● **WALL STREET** closed 5.12 down at 835.80 due to New York City's fiscal problems.

● **FIRST NATIONAL City Bank** says it is lowering its prime rate to 7¼ (7½) per cent. on Monday, its third consecutive weekly ¼ per cent. cut. Back Page

U.S. jobless total up 0.3%

● **U.S. UNEMPLOYMENT** rose 0.3 per cent. to 8.6 per cent. in October. The Labour Department said the rise was largely accounted for by an increase in the number of people looking for work. Page 11

● **CANADIAN** consumer price index rose *0.9 per cent.* in October. The index rose 10.6 per cent. in the year. In the OECD area prices rose by 10.4 per cent. in the year to September. Page 11

● **OCCIDENTAL** says Libya has lifted a month-old ban on its employees leaving the country. The group has seized a second 49 per cent. share from a crude oil cargo from Libya. Page 11

● **ICI** wins the annual award by the French business magazine L'Expansion for the best all-round performance by a European group in 1974. The group was described as well diversified, modern and dynamically managed.

● **BRITISH LEYLAND** has agreed to defer plans to sack 1,500 Innocenti workers by two weeks on the Italian Government's request. Page 11

● **EEC COMMISSION** legal staff is preparing its case against the French Government's taxation of Italian wine imports for submission to the European court in about a week.

● **MR. PETER SHORE**, Trade Secretary, visits Cuba on Wednesday for five days of talks with the Castro Government on economic agreement.

COMPANIES

● **BRITISH ANZANI** pre-tax loss for the year to April deepened to £1.64m. (£0.41m.) after a £1.28m. rise in interest charges and writing off £0.7m. against book values of properties for sale. There is no dividend (interim 0.1215p). Page 14 and Lex

● **WOLSELEY-HUGHES** pre-tax profits for 1975 rose to £3.741m. (£3.276m.), following a marginal decline in the first half. Dividend is 2.258055p (2.216025p). Page 14

Britain seeks $2bn. loan from IMF

BY WILLIAM KEEGAN, ECONOMICS CORRESPONDENT

THE U.K. Government has decided to apply to the International Monetary Fund for a loan of $2bn. The decision came after a forecast that, in spite of the deepest recession since the Second World War, the country would still have to finance a balance of payments deficit next year.

The loan application comes against the background of a dramatic slowdown in the rate of accumulation of oil producers' funds in London, which last year proved a major source of finance for the U.K.

The formal application has still to be made and the timing of the Treasury's announcement yesterday took a meeting of the IMF Board of Directors in Washington by surprise.

It has been informally agreed that the U.K. will draw about $1.2bn. (£575m.) under the IMF oil facility, and $840m. (£400m.) as the first tranche of the normal IMF drawings available to any member country in balance of payments difficulties.

The drawings are expected to take place in the new year, and the rate of interest will be *appreciably lower than the* average rate of close to 10 per cent. which the U.K. is paying on many of the public sector loans already drawn, and on oil producers' funds held in London.

The charges vary between 4 per cent. and 6 per cent. on the normal "standby" drawings and are likely to average 7¾ per cent. on the oil facility money.

To draw the money, the U.K. will have to send formal letters of application for both loans, setting out its present economic policies, in the next few weeks.

A team from the IMF office in Washington is expected to visit London this month to "examine the books." Unlike the practice with further drawings on IMF loan "tranches," the Government will not be required on this occasion to sign the sort of "Letter of Intent" on policies which might prove politically embarrassing.

However, under the heading of "no change in domestic policies" the Government will have to reiterate its previous assurances that it does not intend to introduce general controls on imports.

It will have to satisfy the Fund that, although another substantial balance of payments deficit is expected next year, the underlying trend is one of improvement.

In this connection, a key point will be when exactly the Government envisages a movement into balance of payments surplus, so that some of the previous accumulated overseas loans can be paid off. At present the line in Whitehall is that this will happen "*in the medium term*"—a period which takes us anywhere up to 1980, when North Sea oil revenues ought to be making a major contribution.

The fact that the Government was giving serious consideration to applying to the Fund was reported in the Financial Times on October 3. The exact timing of the application (quite apart *from the underlying financing* need) has been dictated by two considerations.

One is that the money available from the IMF oil facility is rapidly running out (Argentina is expected to make a substantial drawing from the limited facility in the next few days). The other is the fact that the conditions attached to the oil facility and the first IMF tranche are considerably less onerous than with respect to drawings on subsequent IMF tranches.

Under the present arrangements, the U.K. will not have to be monitored quarter by quarter by an IMF team on the course of such sensitive indicators as *domestic credit expansion*—which is broadly the increase in money supply, including what would have taken place but for overseas borrowing.

But it is understood that the Treasury will provide the Fund with some illustrative figures, indicating present expectations about the course of DCE over the coming year or so.

It is also thought that the explanation of "existing policies" will require a satisfactory assurance to the Fund that the Government means what it has recently been saying about the *intention to allow little or no* growth in the volume of public expenditure in the next few years.

The oil facility drawings must be repaid within a period of three to seven years, and the first credit tranche within three to five years.

There are three standard conditions with regard to the drawing *on the IMF oil facility.*

1—Demonstration of need, in relation to the cost of oil imports and balance of payments position generally.

2—An undertaking not to impose additional payments and trade restrictions.

3—Policy statements on energy conservation, and on the achievement of "medium term revovery" in the balance of payments.

A general statement of intent not to introduce import controls (apart from in specific isolated cases) has already been given by the U.K. Government in the Organisation for Economic Co-operation and Development "trade pledge" early last summer.

But this will not stop the Left-wing of the Labour Party from complaining bitterly about the connection between the IMF loans and disavowal of import controls when the Parliamentary Labour Party meets next Tuesday morning — with Mr. Healey, the Chancellor, expected to be in attendance to discuss economic policy in advance of the forthcoming world economic "summit."

Public spending

Central Government spending growth slowed a little last month, but is still running well ahead of the increase in revenue. It is now acknowledged that the public sector borrowing requirement is likely to exceed substantially the originally forecast £9bn. Back Page

Portuguese army destroys radio of Left

BY PAUL ELLMAN

LISBON, Nov. 7.

RADIO RENASCENCA, which broadcast the starting signal for Portugal's April 25 coup, was blown up to-day by order of the military leadership.

The destruction of the station's transmitters by paratroopers in a pre-dawn swoop, coupled with the use of Marines to clear demonstrators besieging the Information Ministry, was seen as a sign that the sixth provisional government had succeeded in convincing the military leadership that disorder fomented by the extreme Left was the principal threat to its survival.

The crackdown brought angry protests, and a potentially explosive situation developed this *evening outside the Information* Ministry, where Leftists gathered to confront the heavily-armed Marines outside the building.

Indiscipline

To-day's actions came only hours after a meeting between the Cabinet, headed by the Prime Minister, Admiral Pinheiro de Azevedo, and the Revolutionary Council of the Armed Forces Movement.

The Government had requested the meeting to complain to the military leadership that there was little chance of its being able to function effectively while the Revolutionary Council, nominally the top decision-making body, was unable to resolve the crisis of authority both inside and outside the armed forces.

A further example of indiscipline was provided to-day when soldiers of the Faro Infantry Regiment, demanded the dismissal of their commanding officer and his deputy for "deviationism."

The situation at Radio Renascenca has symbolised the crisis of authority facing the Government since Communists and other Leftists occupying the station refused to return it to its owners, the Roman Catholic Church, and last month persuaded *soldiers sent to evict* them into joining the occupation.

The transmitters were then turned off by commandos but subsequently were switched on again.

Since then the station had remained a thorn in the side of the Sixth Government, particularly its Socialist members, who had made the return of the radio station to the Roman Catholic Church one of their conditions for joining the Sixth Government.

The Church's hierarchy is understood to have approved the blowing-up of the station.

The Revolutionary Council issued a communique accusing the station of broadcasting "counter-revolutionary information" designed to provoke public disorder. It would not be allowed to resume transmissions until its status had been "regularised."

The council reaffirmed its support for Lieut. Col. Jose Ferreira de Cunha, Secretary of State for Information, who was freed from his Ministry in another pre-dawn operation involving Marines and elements of the Lisbon Light Artillery Regiment.

Col. Ferreira de Cunha had been trapped in his office by demonstrators organised by a group of civil servants in the Ministry. They had demanded his dismissal, saying that he was a paid propagandist for the Caetano Government.

The Revolutionary Council said to-day that it had reluctantly agreed to the officer's request for a full inquiry into his past. It would not tolerate further campaigns either against him or against Joao Tomas Rosa, Minister of Labour, whose offices were occupied by civil servants demanding his dismissal.

Manipulated

A bomb, believed to be the work of the outlawed Portuguese Liberation Army, which supports the return of ex-President Spinola, blasted the studios of the Radio Clube Portuguesa in Oporto, and the Council warned Angolan refugees against being "manipulated by reactionary forces."

The refugees—there are about 300,000 in Portugal, most of them totally impoverished—are a prime recruiting target for the clandestine Right and a political Aunt Sally for the Left, which views them as a potential fifth column.

With only four days to Angolan independence, there is considerable nervousness in Lisbon over a possible Right-wing backlash to coincide with the handover of power.

£ in New York

—	Nov. 7	Previous
Spot	$2.0650-0662	[illegible]
1 month	0.85-0.81 dis	[illegible]
3 months	2.45-2.41 dis	[illegible]
12 months	7.92-7.85 dis	8.15-8.05 dis

Government considers options on Chrysler

BY JOHN BOURNE, LOBBY EDITOR

THE LIKELIHOOD that Mr. John Riccardo, chairman of the Chrysler Corporation, will return to London for talks with Mr. Eric Varley, the Industry Secretary, before Parliament is prorogued in the middle of next week, is diminishing.

No Government committee meetings on the Chrysler crisis are planned for Monday and no Cabinet before Tuesday.

Yesterday it was stated in London that no date had yet been fixed for Mr. Riccardo's visit. The Government was still considering the options open to it on Chrysler.

It was admitted, however, that if in the meantime the Board of the Chrysler Corporation in *Detroit so decided, Mr. Riccardo* might ask Mr. Varley for an immediate meeting. There are no signs of this happening though.

The 13 Labour MPs with constituents working in Chrysler U.K. plants have arranged to meet Mr. Varley on Monday night. They will urge him to offer financial assistance which would save at least some of the plants.

One of their leaders said yesterday that the options open to the Government ranged from "giving Chrysler a blank cheque and picking up all its pieces in the U.K." to allowing Chrysler to pull out of Britain altogether.

Most of the MPs favour the Government helping to save some of the plants and perhaps 10,000 out of 24,000 Chrysler jobs. They argue that such a move could enable Chrysler U.K. to provide body panels and motor and trac*tion unions for Chrysler's Simca* factories in France.

They also believe that Chrysler truck production units at Luton and Dunstable are a commercially viable proposition.

Some of the MPs are strongly opposed to the line of Left-wing colleagues that the Government should take over the whole of Chrysler U.K.

They say this is because such an undertaking would be in direct competition for cars and jobs with the Government rescue operation for British Leyland.

Mr. Leslie Huckfield (Nuneaton), leader of Monday's delegation to Mr. Varley, said yesterday: "All I can say at this stage is that the situation is very grave, but it is far too early to jump to conclusions about the eventual outcome.

"We must wait and see, but we must also have something to tell our constituents as soon as possible."

John Wyles, Labour Reporter, writes: Workers at Chrysler's Stoke engine plant, Coventry, yesterday pledged full support for any action needed to protect their jobs.

Addressing the 4,000 workers, Mr. Bob Morris, Transport and General Workers' Union convener, said the company could be saved by an injection of cash, a speedy modernisation of existing models and improved management.

"We are collectively in the muck, but we are going to do everything possible to save jobs. We want your loyalty and we want the Government to provide whatever cash is needed."

Terry Dodsworth on *Chrysler's world problems*, and Geoffrey Owen on the Government's three choices Page 13

R-R final payout plan

By Margaret Reid

SHAREHOLDERS OF the old Rolls-Royce group are likely to be told on December 8 how the liquidation of the company, which collapsed in 1971, is to be completed, and when the last 8.1p a share will be distributed.

No forecast of a further distribution, in addition to the 50p a share already paid out, is given in the annual statement yesterday by Mr. Rupert Nicholson and his fellow-joint liquidators.

The accounts show that at the end of the year to October 4, 1975, the estimated surplus for shareholders was the same as in the previous year's report, £38.7m., or 58.1p a share.

Scots newspapers to re-equip

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

THE PUBLISHERS of two of Scotland's leading daily newspapers, and their sister evening newspapers, are preparing re-equipment plans for their Glasgow and Edinburgh printing centres.

Employees of the Scotsman Publications, which produces The Scotsman and the Evening News in Edinburgh, were told yesterday of plans for capital expenditure on new production technologies, which the proprietors said were needed to halt the group's profit decline in the last two years.

In Glasgow, George Outram, publisher of the Glasgow Herald and the Evening Times, is studying alternative re-equipment schemes for both newspapers. A decision is likely to be taken in the next two or three months.

Union representatives of the 1,000 Scotsman Publications employees were told that the company's parent group, Thomson Regional Newspapers, had agreed to allocate sufficient funds to extend the Edinburgh newspapers' existing computer-setting systems with computer-controlled photo-composition systems.

Mr. David Snedden, managing director, said that profits had increased steadily for 10 years *to 1973 but had declined since.* Moreover, there had been a long-term and serious fall in the value of the newspaper's profits because of sharply rising costs. This was jeopardising the survival of the company and had to be checked.

The new equipment would give the newspapers increased capacity but would require fewer people.

Reductions in the payroll have not been specified and the company hopes to achieve its labour cuts through early retirement, natural wastage and non-replacement of staff.

Mr. William Forgie, managing director of Outram, which is owned by Sir Hugh Fraser's Scottish and Universal Trust, said that the company was examining re-equipment at its printing premises in Mitchell Street, Glasgow.

Outram could have an interest in the Glasgow premises used by the Scottish Daily News, the last issue of which was being published last night, after Thursday's decision by its provisional liquidator to close the six-month-old worker-directed newspaper.

Outram would have no interest in buying both the plant and the property used by the Scottish Daily News, "but we might have *a look at the building alone.*"

The only other potential purchaser of the Scottish Daily News premises is Mr. Robert Maxwell, the newspaper's former chief executive, who owns the Oxford-based Pergamon Press book publishing company.

Mr. Maxwell is interested in launching an evening newspaper in the Glasgow area to compete with Outram's Evening Times.

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For latest Share Index 'phone 01-246 8026

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Electric 3½% 1976-79	£80¼	+ ¼
ACE Machinery	75	+ 6
Bestobell	174	+ 13
ERF	34	+ 5
Enalon Plastic	48	+ 10
Halford Shead	225	+ 15
Hawker Siddeley	327	+ 7
Henlys	78	+ 7
Hopkinsons Hldgs.	60	+ 6
Lake & Elliot	68	+ 7
Lampa Secs.	69	+ 13
Lyons (J.) "A"	146	+ 8
Marshall (T.) Invs.	48	+ 5
McCorquodale	225	+ 8
Mitchell Cotts Trans.	32	+ 6
Pearce (C. H.)	65	+ 5
Pye Hldgs.	55	+ 5
Reardon Smith "A"	105	+ 9
Restmor	50	+ 6
Unisec	90	+ 8
Wadkin	64	+ 6
Watmoughs (Hldgs.)	35	+ 7
Wigfall (H.)	150	+ 10
Cessnock	210	+ 20
Cons. Tea & Lands	390	+ 35
Shell Transport	333	+ 7
Charter Cons.	176	+ 7
Gld. Mines Kalgoorlie	80	+ 5
Pancontinental	725	+ 15
Poseidon	165	+ 10

FALLS

British Anzani	11	− 2½
Dawson & Barfos	51	− 4
Hall Thermotank	82	− 4
Martonair	136	− 9
Silhouette "A"	29	− 5
Ball & Collins	80	− 38
Buffels	£15¼	− 1
Yukon Cons.	70	− 5

The week in London and New York

Equities move to a new peak

Equities have marched firmly into new high ground with the 30-Share and the All-Share indices this week adding decisively to the trend started in the last account by the 500 Share. But for the third day running the market came off the top yesterday and a bout of more substantial profit taking may not be far away. The 30-Share (up a net 8.8 points during the last account) has put on 18.1 points this week to close at 369.3—4 points above the earlier June peak for the year.

Over the past few days dealing volume has picked up noticably with Thursday's bargains marked at 8,636 the highest for nearly five months; and rises among FT quoted stocks have this week outnumbered falls by close on three to one. Sentiment has gleaned comfort from the "*economic talks*" at Chequers and Thursday's industrial forecasts from the CBI, and for the moment equities appear to have stopped looking over the shoulder at the gilt market. This continues to move narrowly. U.S. money rates have eased again this week but the tactics to be adopted by the U.K. authorities in funding the Government's borrowing needs remain a major area of uncertainty.

TOP PERFORMING SECTORS IN FOUR WEEKS FROM OCTOBER 9

	% Rise
Motors & Distributors	+22.0
Newspapers, Publishing	+15.2
Entertainment & Catering	+12.1
Contracting & Construction	+11.5
Electricals	+11.1
Discount Houses	+10.8
All-Share Index	+ 6.4

THE WORST PERFORMERS

	% Fall
Property	— 4.7
	% Rise
Machine & Other Tools	+ 4.8
Engineering (Heavy)	+ 4.5
Oils	+ 4.1
Toys & Games	+ 2.5
Merchant Banks	+ 0.3

Shell's recovery

At the start of this year the prospect of sharply lower earnings from the oil industry was a universal stock market theme. Demand was weak, stocks were high, there was surplus refining and marketing capacity in Europe and—*above all—costs* were rocketing. Profits in 1975 are still falling but Thursday's third *quarter results from Shell* show just how well the industry is now coping.

Shell's net income for the first quarter of 1975 was nearly a third lower with 1974 inflated by exceptional stock profits. For the year as a whole the group could well exceed £900m. after tax which indicates a decline of just 15 per cent. or so on 1974's £1.1bn. There are now clear signs that recovery is underway; firm gas prices and a good performance in North America have provided the third quarter *cushions, but the underlying* decline in volume trends outside North America have now flattened out and prices show signs of hardening. At the same time the chemical industry in Western Europe is plainly on the mend.

In March oils stood among the worst ten sector performers; this week they were third from the top after a bout of relative share price strength stretching back to midsummer. Shell has moved sideways this week but now that the Burmah placing is out of the way a 1975 p/e of 6.1 may have appeal ahead of earnings gains in 1976.

Burmah itself has had a noticably busy week. The placing of *£17m. of Shell equity went very* smoothly; the group opened talks aimed at re-financing part *of its tanker constructions*; and the deal selling its U.S. arm to R. J. Reynolds ran into trouble.

The taxpayer and the City

While the Government speaks loftily of a new approach to industrial strategy, Alfred Herbert, Chrysler and the shipbuilding industry provide three urgent reminders of what *life is all about*. The document detailing Herbert's proposed capital reconstruction *reveals that the taxpayers'* £25m. cash injection is probably not going to be enough: further sums will be needed to complete the reorganisation and to get a programme of capital investment under way. This must be enough to convince any shareholders who might have had doubts about accepting the *Government's* offer: both the Ordinary and the Preference would certainly be worthless in a liquidation.

The Government committed itself to Herbert some months ago: it now has to decide on Chrysler's needs, which are very much bigger. The company has virtually no net assets and debt of over £70m.; *it is losing money, and urgently* needs substantial investment in new models. So it is *easy enough to believe in the figure* of £100m. which has been suggested as its current cash requirement. There *seems* to be no chance of this sort of money coming from the loss making U.S. parent.

The credibility of the Government's industrial strategy rests on its handling of this problem. Meanwhile, it has announced that there is going to be a new clause in the *shipbuilding* and aircraft nationalisation Bill which will allow the Government to alter *the compensation terms for any* company which it rescues from insolvency prior to the vesting date. This may seem fair enough—but if companies who run into trouble should have their terms written down, why should not companies who have prospered over the past year have their compensation *improved?*

Whitbread takes the trophy

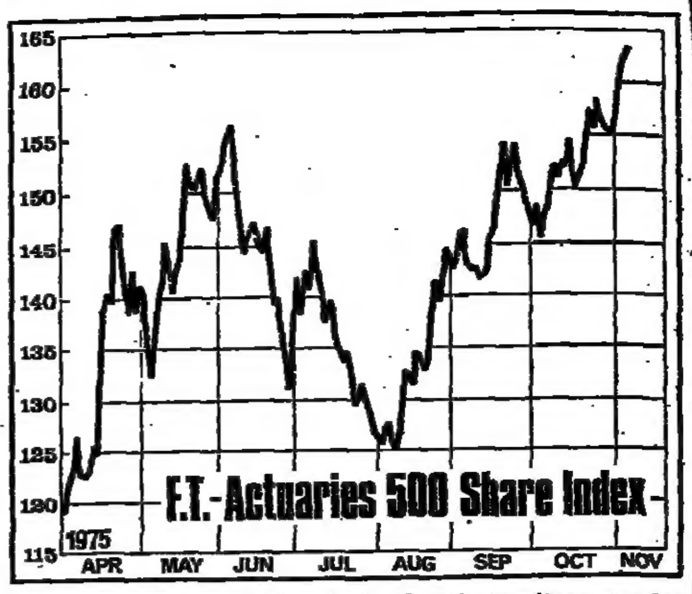
The impact of the summer heatwave on brewery results is now beginning to be seen following the £5.1m. jump to £18.4m. pre-tax in Whitbread profits for the six months to August. Although the figures are partly distorted by the first-time inclusion of Long John, the group appears to have been running ahead of industry beer trends with Trophy bitter and Heineken selling particularly well. Nonetheless the other major brewers are all expected to report profits for the summer period well-up on earlier expec*tations in view of the higher* profit on marginal barrellage, and the effect of the relaxations of the Price Code. Among the larger groups, the best performers during the summer six months should include Bass, with a bigger reliance on beer than Allied Breweries, and Scottish and Newcastle, both of which could report profits gains of over a fifth.

But the enthusiasm should not be exaggerated. While the volume of production during the summer months was 7½ to 8 per cent. ahead of last year, *four* out of the first five months of 1975 showed declines—and the *cumulative gain so far this year* is slightly less than the advance achieved during the same period of 1974. The worry now is, of course, that increasing unemployment and the squeeze on disposable incomes will start biting in the current half, though beer consumption has been quite resilient in previous recessions. The problems are probably greatest for those companies with the largest wines and spirits and hotels involvement, but there is also the threat from increasing consumer trading-down via the expanding take-home trade. Concern about these prospects has meant that *the usual run-up of the shares ahead of the results seasons has* been less marked this year.

Inflation debate

The rumblings behind the great inflation accounting debate came out into the open this week when on Tuesday the accountancy profession gave its views on the Sandilands report. Broadly, the accountants go along with the Sandilands recommendations but they argue that far greater *emphasis* should be given to the problem of the inflationary impact on *monetary items*. The accountants' stand appears to be backed by a considerable lobby *from* among the financial community, notably the clearing banks. Projections of Sandilands style published profits from Phillips and Drew help explain why.

According to the brokers, Sandilands adjustments would cut total historic profits by 58 per cent. with the decline easing back to 15 per cent. after taking account of monetary items. Within this, the banking sector shows a decline of 7 per cent. under Sandilands and 31 per cent. including monetary adjustments. *But there are no* set patterns anywhere; for textiles, profit declines of 48 per *cent.—two-fifths or so for Coats* Patons and zero profits for Courtaulds—are cushioned by mone*tary items* to the extent that falls are reduced to less than a tenth. From the cross-flow of statements coming out of the representative bodies this week it is clear that there is likely to be a deal of consultation and amendment before an inflation accountancy package can be put before Parliament. **Onlooker**



MARKET HIGHLIGHTS OF THE WEEK

	Price Y'day	Change on Week	1975 High	1975 Low	
F.T. Ind. Ord. Index	*369.3*	*+18.1*	*369.3*	*146.0*	*Slight pick-up in bus. confidence*
Electric 3½% 1976/79	£80½	+ 1⅞	£80½	£71	Low-coupon issues in demand
Airflow Streamlines	23	− 8	42	23	Disappointing int. report
Anglia TV "A"	95	+16	95	24	Strength in TV sector
Berry Wiggins	70	+14	90	30	"Rights" issue/higher prfts. frcst.
Bestobell	174	+19	174	59	Chairman's profits forecast
British Home Stores	388	+18	395	138	Div. forecast/"Rights" issue
Capper-Neill	60½	+11½	60½	16	"Rights" issue/Int. results
Dawson & Barfos	51	+12	56	14	Bid from Matthews Hlds.
De La Rue	193	+28	196	65	Interim results
Gomme Hldgs.	85	+12	88	34	Favourable Press comment
Harmo Inds.	38½	+13½	38½	10	Bid approach
Morris (Herbert)	68	+14	68	18	Amal. Indl's. bid 60p a share
Ocean Wilsons	111	+21	111	43	Increased first-half profits
Readicut Intl.	21½	+ 5	24	11½	Good interim figures
Tate and Lyle	251	+19	257	85	Strength of sugar price
Thomson Organisation	215	+25	215	36	Broker's circular on newspapers
Tomatin Distillers	63	+ 9	67	31	Speculative buying/thin market
Unilever	416	+24	418	170	3rd-quarter figures due Nov. 12
Yukon Consolidated	70	+16	78	38	Lornex bid situation

Static market

BY JAY PALMER

NEW YORK, Nov. 7.

THIS WEEK opened on a dismal note with Wall Street's Dow Jones industrial index losing more than 10 points on Monday. But the decline was not that significant given the exceptionally low volume of trading that day. Dealers attributed the market's momentary lassitude to uneasiness over the meaning of President Ford's sweeping cabinet changes on Sunday night and, of course, continuing worries over New York City.

But on Tuesday the pattern changed and Wall Street forged ahead in what was to prove a *three-day rally*. But on Friday the market reacted 5.12 to 835.80, making a net loss of 0.24 on the week, following the unpleasant news that October *jobless figures* were up again. Against this, *though*, this morning also saw Citibank cut its prime to 7½ per cent.—a move certain to herald further similar cuts by the rest of the banking industry next week.

Looking back over October, it comes as almost a surprise to realise that Wall Street (as measured by the DJII) managed to climb from a monthly low of 784.16 on October 1 to a monthly high of 855.16 on October 23. Standing now at around 840, the market has clearly held on to most of that gain. Amid a sudden rush of perhaps over-optimistic brokers' reports projecting the Dow to rise to over 1,200 by this time next year, the big imponderable now is when the market will be able to produce a sudden burst upwards into its next higher trading level.

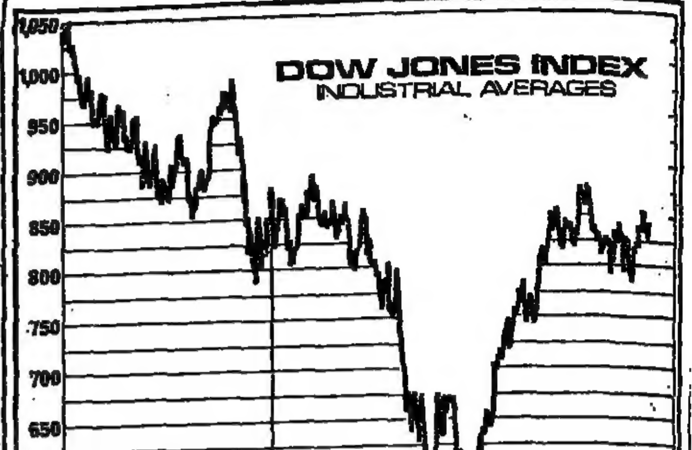
While such speculations are always fun, occasionally profitable (and usually inaccurate), it is almost impossible to see how any significant bull rally can get started while New York City remains such a depressant. As this column has pointed out before, the general impact of the very probable NYC default over the next four weeks could well be brief. But any hopeful analysis of a post-default rally begs the unanswerable question of how a City failure would affect the banks.

Aside from holding loads of potentially nil-returning City paper, America's larger banks are also carrying problem loans of the real estate investment trusts, the airlines and a whole host of other troubled companies.

In view of the possible impact of all this on earnings it is hardly surprising that the bank's shares have been such dull performers of late. Since the middle of September, the Standards and Poors 500 index has risen 6 per cent. to stand *only 4 per cent.* below its 1975 high. By comparison, NYC large banks share prices fell 4 per cent. over the same period to stand 23 per cent. off their highs.

However, many increasingly argue that this is overdoing things. *A recent study by First* National City Bank (which itself holds a lot of NYC paper and can hardly be called unbiased) argues very strongly that media forecasts of gloom and doom are totally unwarranted.

"*Historically*" *the bank says* "pervasive predictions of imminent disasters have seldom been fulfilled."



DOW JONES INDUSTRIALS

	Close	Change
Monday	825.72	−10.32
Tuesday	830.13	+ 4.41
Wednesday	836.27	+ 6.14
Thursday	840.92	+ 4.65
Friday	835.80	− 5.12

MINES IN THE NEWS

Making use of dull days

BY MALCOLM DUMPHREYS

WHEN SHARE prices seem to be bumping along somewhere near the bottom they often present buying chances if one allows for the fact that any upward movement might be some time in coming. The upturn can sometimes quicken if a bid is forthcoming from another company which takes the chance while share prices are depressed to pick up what it considers a worthwhile investment at what could later prove to be a bargain price.

This would appear to be the reasoning behind **Rio Algom**, the **Rio Tinto-Zinc** group's 51 per cent. owned Canadian arm, making a cash bid of $26.4m. (£12.5m.) for the remainder of the shares it does not already own in the beleaguered **Lornex** copper-*molybdenum mine in* British Columbia.

Rio Algom currently holds 59.8 per cent. of Lornex and the bid values the outstanding shares at $8 (£3.78) compared with a pre-bid price of 600 cents in Vancouver which has since jumped to 775 cents, the highest so far this year. They are quoted at a very nominal 600p cum premium in London.

Rio Algom will acquire all *shares offered but will not* exercise its rights of compulsory acquisition upon shareholders *who do not accept*. The offer period is of 21 days, which may be extended, and it is hoped to post the relevant circular to shareholders on November 7, but if the current Canadian postal strike prevents this beyond November 28 the company reserves the right to reconsider proceeding with the offer.

As well as the depressed state of the copper market, Lornex *is currently having* to live with British Columbia's royalty impost which is based solely on metal prices and takes no account of extraction costs. The legislation is now under review and the low metal prices of late have lessened this burden to some extent but for the nine months to September net earnings have slumped to $0.6m. from $23.1m. for the same period a year ago from operating profits of $11.4m. as against $43.1m. Production has been cut back in line with the fall in demand for copper, but the mine is young and has a good long-term potential.

The fall in the profitability of Lornex is reflected in Rio Algom's latest figures which for the same period show that net earnings have exactly halved at $21m. (£9.9m.) with the per-share figure coming out at $1.62 against $3.39. The closing of the **Mines de Poirier** copper mine in June, lower *earnings from steel* and a higher effective rate of taxation also contributed to the lower *profits and offset the benefits* of increased revenue from the company's uranium operations.

The bid is of special interest to shareholders of **Yukon Consolidated Gold Corporation**, which holds 20.1 per cent. of Lornex. It is to be presumed that Rio Algom has already sounded out the feelings of the Yukon Board and some statement should be forthcoming from the latter company in the near *future. This week* Yukon shares rose 21p to 75p in London.

Rand Selection

The increased profits for the **Anglo American Corporations' Rand Selection** for the year to September 30 will probably be *regarded as a little disappoint*ing although strict comparison with those of 1973-74 is not possible owing to the impact of a first full year's earnings from Schlesinger Insurance and the inclusion of South African Townships as a wholly owned subsidiary from April 1.

Income rose by a little over 15 per cent. to R62.6m. (£34.9m.) and net profits by 14.4 per cent. to R48.5m. (£27m.) Owing to the 22.4 per cent. increase in issued capital when the Schlesinger acquisition took place, however, earnings per share have risen by less than 1 per cent. to 114.5 *cents (64p). The dividend is* raised by 5 cents to 75 cents (41.7p).

Current year *earnings, look* to be headed for a downturn. Income from the company's important *gold share portfolio* will be lower unless there is a marked upward movement in the bullion price enabling the gold mining-companies to maintain the higher payments seen in recent times. **De Beers** has a stake of 48 per cent. in Rand Selection.

The net profits for the six months to September 30 of **London Tin Corporation**, the major tin share holding company, show an increase over the comparable period of last year of £163,000 to £874,000. The *interim dividend, already* declared, was unchanged at 1.4p with the total for 1974-75 being 7p which was paid out of full-year profits of £2.18m.

The improved half-year results reflect the time lag in the receipt of dividends declared by the group's producing companies based on the high price of *tin in 1974. As the* attached chart of the sterling price of the metal shows it has fallen sharply from the all-time peak of £4,245 reached early in September last year to around £3,035 at the moment.

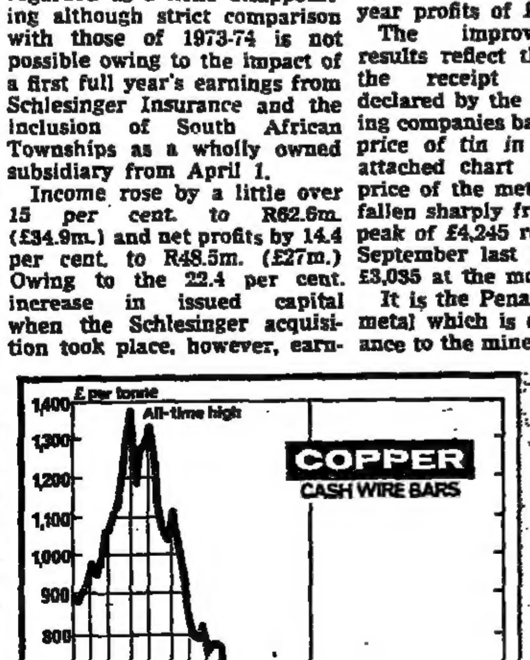
It is the Penang price of the metal which is of most importance to the mines, however, and this, too, has shown a considerable decline since last year. The *average for the year to last* March was $M1,118 per picul but the price was $949 yesterday and the average for the six months to September only $960.

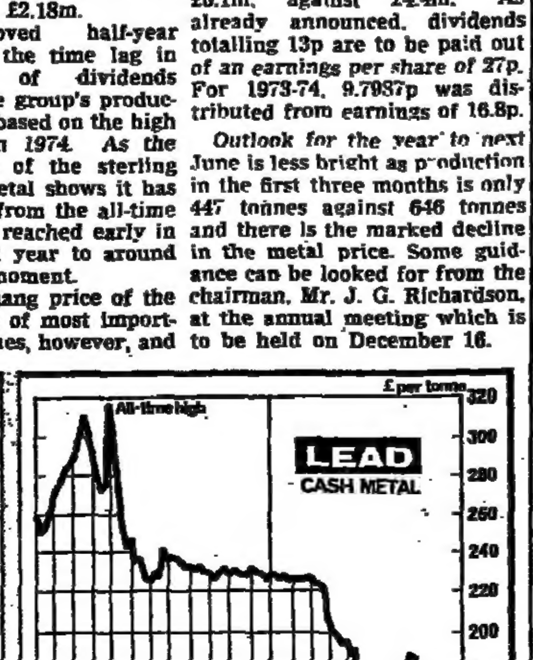
Tin shine rubs off

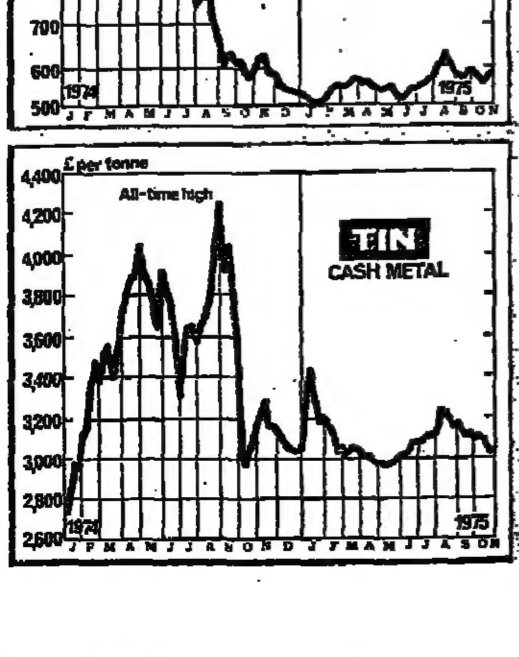
London Tin's income for the six months to next March is, therefore, bound to be lower than the £2.4m. received for the last half of 1974-75. Owing to *the time lag in dividend* receipts, however, the company should be able to maintain its own payment in the current year. It could be a different matter in 1976-77.

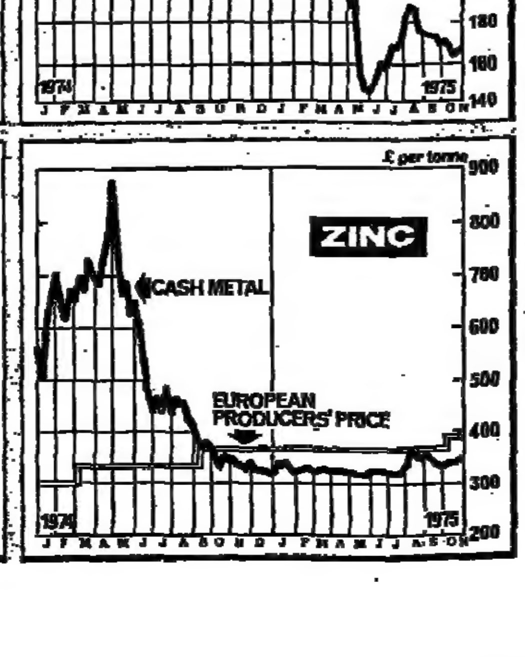
Also benefiting from the high tin price of last year coupled with increased production is **Ayer Hitam**. For the year to June net profits have risen from £1.04m. to £1.49m. from an increased turnover of £6.1m. against £4.4m. As already announced, dividends totalling 13p are to be paid out *of an earnings per share of 27p.* For 1973-74, 9.7937p was distributed from earnings of 16.8p.

Outlook for the year to next June is less bright as production in the first three months is only 447 tonnes against 646 tonnes and there is the marked decline in the metal price. Some guidance can be looked for from the chairman, Mr. J. G. Richardson, at the annual meeting which is to be held on December 16.









TV/Radio

†Indicates programme in black and white

BBC 1

9.00 a.m. Fingerbobs. 9.10 Star Trek. 9.35 Why Don't You—join us in collecting ideas. 10.00 Model World. 10.25 On The Move. 10.35 Camp Runamuck. 11.00 Bewitched. 11.30 The Lord Mayor's Show.

12.15 p.m. Grandstand: 12.20 Football Focus; 12.50, 1.25, 1.55 2.30 Racing from Cheltenham; 1.10, 2.15 Boxing; 1.20 Rugby Union, Australia v. Llanelli; 1.40, 2.50, 3.30 Badminton from Gloucester; 3.10, 3.50 Rugby League from Wigan; 4.15 Winter Sports; 4.40 Final Score.

5.05 The Basil Brush Show.
5.30 News.
5.40 Sport/Regional News.
5.45 Dr. Who.
6.10 Bruce Forsyth and the Generation Game.
7.00 Saturday Night at the Movies: "Broken Lance," starring Spencer Tracy.
8.35 The Dick Emery Show.
9.05 News.
9.15 Royal British Legion Festival of Remembrance.
10.45 Match of the Day.
11.45 Parkinson.

All Regions as BBC-1 except at the following times:—

Wales—9.35-10.00 a.m. Teliffant. 12.45 a.m. News and Weather for Wales.

Scotland—4.55-5.05 p.m. Scoreboard. 5.40-5.45 Scoreboard. 10.45-11.15 Sportscene. 11.15-11.45 There Was A Girl (Anne Lorne Gillies). 12.45 a.m. Scottish News Summary.

Northern Ireland—3.15-4.00 p.m. Rugby (Ulster v. Munster). 4.55-5.05 Scoreboard. 5.40-5.45 Northern Ireland News. 12.45 a.m. Northern Ireland News Headlines.

BBC 2

2.50 p.m. The Saturday Western: "Stage to Thunder Rock," starring Barry Sullivan.
4.10 Chico and the Man.
4.35 Play Away.
5.05 The Money Programme.
5.50 Westminster.
6.20 Open Door.
7.00 Rugby Special.
7.50 News and Sport.
8.05 Latin American.
8.15 *That Monday Morning Feeling.*
8.45 Return to Dunkirk.
9.15 Turning Point.
10.15 Second City Firsts.
10.45 The First Picture Show.
11.15 News on 2.
11.20 Open Door.
†12.00 Midnight Movie: "Unholy Partners," starring Edward G. Robinson.

LONDON

9.00 a.m. Checkmate. 9.25 Artists At Work. 9.50 Saturday Scene. 9.55 *The Beachcombers.* 10.20 The Jetsons. 10.50 Junior Police Five. 11.05 The Adventures of Black Beauty. 11.35 Planet of the Apes.

12.30 p.m. World of Sport: 12.35 p.m. On the Ball; 12.55 International Sports Special (part 1) *Miss Sportsworld 1975;* 1.10 News from ITN; 1.20 The ITV Seven—1.30, 2.00, 2.30 and 3.00 from Doncaster; 1.45, 2.15 and 2.45 from Newcastle; 3.10 International Sports Special (part 2) Weightlifting; 3.50 Half-time Round-up; 4.00 Wrestling; 4.50 Results Service.

5.10 News from ITN.
5.20 Supersonic.
5.50 Space 1999.
6.45 Don't Drink the Water.
7.15 Sale of the Century.
7.45 Saturday Mystery Movie: Columbo.
9.30 Within These Walls.
10.30 News.
10.45 No-Honestly.
†11.15 "A Cry In The Night," starring Natalie Wood and Edmond O'Brien.
12.35 a.m. Conscience Without God.

All ITV Regions as London except at the following times:—

ANGLIA

9.25 a.m. Cover to Cover. 9.50 Paulus. 10.00 Hammy Hamster's Adventures on the Riverbank. 10.15 Spiderman. 10.40 Adventures in Rainbow Country. 11.10 Clapperboard. 11.35 Tarzan. 5.20 p.m. The Flintstones. 6.45 Sale of the Century. 7.15 Saturday Night Movie: "Chubasco."

ATV MIDLANDS

BORDER

CHANNEL

GRAMPIAN

GRANADA

HTV

SCOTTISH

SOUTHERN

TYNE TEES

ULSTER

WESTWARD

YORKSHIRE

RADIO 1 247m

(S) Stereophonic broadcast

RADIO 2 1,500m and VHF

RADIO 3 464m, Stereo & VHF

RADIO 4 434m, 330m, 285m and VHF

BBC Radio London 206m and 94.9 VHF

London Broadcasting 261m and 97.3 VHF

Capital Radio 194m and 95.8 VHF

TV Top 20

Week ended November 2

1 Dr. No	ITV
2 Benny Hill Show	Thms.
3 News at Ten	ITN
4 The Sweeney	Thms.
5 Upstairs, Downstairs	L/W
6 Crossroads (Thu.)	ATV
7 Crossroads (Tues.)	ATV
8 Crossroads (Wed.)	ATV
9 Bruce Forsyth and The Generation Game	BBC
10 Opportunity Knocks	Thms
11 Coronation Street (Mon.)	Gran.
12 Ken Dodd's World of Laughter	BBC
13 Crossroads (Fri.)	ATV
14 The Cuckoo Waltz	Gran.
15 Coronation Street (Wed.)	Gran.
16 Get Some In	Thms.
17 Beryl's Lot	York.
18 The Dick Emery Show	BBC
19 World in Action	Gran.
19 The Invisible Man	BBC

Figures compiled by Audits of Great Britain for Joint Industry Committee for Television Advertising Research.

Your savings and investments

Life troubles

BY ERIC SHORT

THERE WERE fresh rumbles of troubles on the life assurance front this week, one very loud and one rather muted. The more serious was the news that Lifeguard Assurance had stopped doing new business this week and this caused repercussions in the industry following the recent history of troubles in other life companies.

The problems of Lifeguard, however, appear to be more technical than those of either Nation Life or London Indemnity and General for there is comparatively little guaranteed income bond business. Put simply, it would appear that the company is experiencing a "new business" strain. Very little, if any, of the first year's premium is invested, yet a *company is on full risk* from the first day. This strain is not really eased for a year or two.

For a company doing a lot of new business, there comes a break-even point when more new business will jeopardise the immediate solvency of the company. The problem has probably been exacerbated by Lifeguard's actuaries—Duncan C. Fraser—in doing the valuation on June 30 have taken account of the new but unpublished statutory liability regulations which are known to be rather strict.

When such a situation arises, a life company has to raise fresh capital to cope with this strain—Lloyd's Life doubled its capital *last year with similar problems.* Lifeguard is seeking to find at least £1m. of new capital and until this is raised has taken *the prudent course of not* writing any more business.

Lifeguard hopes to make a further statement on the position within a fortnight. *Policy*holders would be best advised to wait until this is published before taking any action. But *public confidence* has been severely dented by the succession of financial troubles in the life assurance industry. I feel *that it would be of immense* help to policyholders if a report on the whole situation was given by an independent actuary of high standing in the profession.

The other problem this week concerned Cannon Assurance where the past *association with* IOS are still haunting the holders of the company (primarily Keyser Ullmann) if not the *policyholders*. The latter should disregard the legal proceedings over the ownership of the company's shares which are very unlikely to have any effect on the company's funds.

Permanent health

"CAN YOU look your widow in the eye?" This expression is sometimes used to point out to individuals their responsibilities and the need for life cover. Often it has the desired effect. But the actuarial tables show that up to age 65, one is just as likely to be permanently disabled as to die. But permanent health insurance has not made much general impact with the public. *Yet the individual unfortunate* enough to be disabled has to watch from his bed or wheelchair his wife trying to cope on a reduced, State-provided, income.

The new Health and Wealth Plan from Target Life combines both life and permanent health cover with a savings plan within one package. This plan has many advantages over taking out a series of policies, which is what most *life companies* offer to provide the same cover.

First, the plan provides for a monthly income should the *investor become permanently* disabled, commencing six months after the event and continuing until age 65—the maturity date of the plan—or earlier death. Then the plan provides for a guaranteed sum on death of the investor before maturity—whether previously disabled or not, together with a family income benefit payable to the dependents for the remainder of the term of the policy. The income and disability payments would be at the rate of 3 per cent. per month of this guaranteed sum, and free of basic rate tax.

Finally, at maturity, the investor would receive the cash-in value of the units purchased *with the investment portion* of the premium—the underlying fund being the "middle-of-the-road" Target Equity fund. This sum can be used to buy at special terms, an immediate annuity.

The unique attraction of this *plan is that the whole premium* qualifies for life assurance tax relief, due to the way it has been put together. The big *drawback of permanent health* contracts has been that premiums lack this tax relief and that after two years the *benefits are taxed by the Inland* Revenue as unearned income. The plan deserves closer study by investors.

New commodity vehicle

BY CHRISTOPHER HILL

I HAVE remarked on several occasions that although dealing *in commodities looks attractive* to the fund manager it is difficult to construct a vehicle which will adequately protect the individual in the same way that unit trusts do the job in equities. But this does not stop people from trying—and at least one viable option seems to be on its way.

This is a Jersey-based fund, Commodity Selection Fund Ltd., which is due to appear on November 28 and is constructed as a company which can issue redeemable shares. S. G. Warburg has already pioneered this type of company with the Common Market and Transatlantic Market Trusts and reckons that it beats launching closed-end *funds* in the U.K. because of the greater flexibility offered. However, Security Selection is extending the principle to commodities—futures and physicals—and has secured Midland Bank to be custodian to the fund when it is launched and Bache and Co. (the New York investment bankers) as the fund managers. Security Selection itself already manages a small unit trust in the U.K., and is an independent *management company* without any wider ties. Ordinarily one would think that they might be biting off more than they could *chew with a commodity fund*, but they have secured powerful partners in the operation and this has convinced the Jersey *authorities* that it is *feasible* to give the fund the go-ahead.

A prospectus will set out all the details at the end of this month but it looks as if the minimum investment will be £2,000—the fund is aiming for individuals as well as institu*tions or professional advisers.* The latter are bound to be involved, however, for the fund may only be sold through stock*brokers or recognised dealers in* securities. As for safety considerations, the policy will be to keep a substantal percentage of the fund liquid and to limit the gearing on futures to twice.

In a more minor key Vickers da Costa made another attempt this week to introduce commodity investment to the investment trusts in its stable. An earlier try to get the shareholders of General Funds to agree to allow the managers to put 5 per cent. of the portfolio in physical commodities failed—*an insurance company* which held preference shares in the trust voted against it an EGM. But the same is now being tried with "Investing in Success" Equities, the managers stressing that they have no intention of trading in commodities. "After all," said a spokesman at Vickers, "if trusts are allowed to hold krugerrands they should logically be allowed to buy copper."

More winners than losers

IT IS a curious feature of 1975 that although the number of trusts which have actually in*creased the value of their* units is greater than ever before, the impact is significantly less than it was in former boom years for the stockmarket. But, for the record, the performance figures of unit trusts during 1975 according to the *magazine* Planned Savings is that only three trusts failed to achieve any gains at all. These were the Coyne Growth Fund, and the Slater Walker Gold and General and the Minerals Fund. Only 21 trusts made gains of up to 20 per cent.; 50 trusts made gains of up to 40 per cent.; and 32 trusts made gains of between 40 and 50 per cent.

From then on the numbers of trusts which have achieved fantastic performances by the standards of previous years starts to rise. For example, trusts with gains of between 50 and 60 per cent. total 41 and those with gains of 60 and 80 per cent. amount to 72 altogether. There are also 64 trusts with unit increases ranging from 80 to 100 per cent. Above this figure, with gains of over 100 per cent., the trusts vary from those which were so illiquid in 1974 that they could hardly fail to do well in 1975, to those which either started at the right time or got the market right. In the last category the main contender is the Hill Samuel group which has six trusts in the top 20. To put it all into perspective, however, only one trust managed to beat the 132 per cent. rise in the *All Share Index.*

Refining evaluations of North Sea oil

BY TERRY WILKINSON

THIS WEEK the first official step towards recovering the U.K.'s enormous investment in *North Sea oil was taken as oil* began to flow into Grangemouth refinery from BP's Forties field. The current rate of 40-50,000 barrels a day *is expected to rise* to 250,000 barrels next year, reaching a peak of 400,000 barrels in 1977. In the early days it was extremely difficult to attempt any serious financial analysis of the returns available to participating companies. The rule of thumb procedure used to be to take the latest estimate of recoverable reserves in a particular field, slap on a price per barrel of oil and arrive at some measure of the "worth" to a company of its share stake in the field.

This method is bound to look inadequate when the question of timing is taken into account. North Sea oil fields come in all shapes and sizes and the timing *of production flows, capital ex*penditure, loan repayments and taxation will make a considerable difference in the evaluation of large, long-lived fields like Forties and Brent as compared with the comparatively brief existence of Argyll and Auk. As the information increased, so have *stockbroking* analysts been able to take these factors into the reckoning although major uncertainties still exist in relation to the government's proposed "no gain, no loss" participation policies and the price of oil itself. A recent analysis of BP's Forties field by Kitcat andAitken, on the basis of a constant price of $12.50 per barrel through the life of the field and a 10 per cent. discount rate on the cash flow, arrived at a total net present value of 258p per BP share. Encouragingly, this is within 10 per cent. of Wood Mackenzie's estimate of 288p per share, the main differences between the two firms relating to hte timing of loan and tax repayments.

The table below shows Wood-Mackenzie's assessment of the worth to a variety of U.K. companies of their stake in a North Sea field where development projects are *far enough* advanced to allow sensible estimates of cost and *timing*. Earnings per share (as opposed to net cash flow) have been calculated for the early years of a particular project, but the pattern itself is bound to vary according to depreciation and tax equalisation policies. Amid a host of supporting assumptions, one point to emerge is that these figures do not reflect the actual cash value of a shareholder's stake in the event of a realisation of a company's interest. Citing the example of the recent purchase by Deminex of Union Pacific's 19 per cent. interest in the Thistle field at a 45 per cent. discount to its net present value figure, WM sees its results as applying to companies which are prepared to see a project through to completion.

The major oil companies are in a process of transition from rapidly diminishing Middle Eastern equity stakes to the new world of the North Sea and *Alaska, in the case of BP*, and natural gas and chemicals for Shell. The cash flow from BP's Forties is capable, on present estimates, of financing further developments on Magnus and Ninian, after payment of the $468m. and £180m. production payment loans arranged in 1972.

A feature of the table is that three of the companies—Burmah, Thomson Organisation and Tricentrol—are selling at a discount to the present value *of their North Sea stakes. In* general this relates to the problem of financing development costs. Burmah, of course, seems to have enough on its plate with negotiations for the refinancing of its $500m. programme for the construction of five liquefied natural gas tankers, representing at the moment a cash drain of over £50m. *in a full year.* At the same time, talks over the sale of its American oil and gas interests to R. J. Reynolds *Industries, intended to cover* Burmah's U.S. debts (estimated at $550m.), ran into snags this week. However, news that the group is renegotiating Bank of England guarantees on these borrowings, beyond the end of the year, tends to suggest that Burmah is confident of a better offer.

Both Burmah and Tricentrol have resorted to government guarantees for their share of Thistle field financing costs. Out of a maximum £36.3m., Tricentrol has so far drawn £10m. These guarantees run out on June 10, 1976, and apart from having to pay the Government a finance royalty of 5 per cent. over the life of the field, Tricentrol may face harsh repayment terms for the loans it does manage to raise. Problems in the group's commercial companies led to passed final and *interim dividend* but this has not prevented the shares from rising by 230 per cent. this year to 45p. Thomson's share price has also recovered from its depressed levels earlier this year and has risen by 17 per cent. in the past month to 205p, against a rise of 7 per cent. in the All-Share index (in fact, all the companies in the table have outperformed the market). Claymore financing has yet to be completed, but with recovery in its travel interests likely to offset a downturn in newspapers and a *strong prospective earnings* contribution from Piper (rising from 16p in 1976 to 64p in 1980), the shares have attracted a high rating.

Company	Fields	Total net present value £m.	Net present value p. per share	Earnings per share 1975 p.	1976 p.	1977 p.	1978 p.	1979 p.	1980 p.	price p.	yield %	p/e
Associated Newspapers	Argyll	8	25	3.9	6.8	5.8	5.1	4.4	3.7	87	7.6	7.2
BP	Forties	1,110	288	(6.0)	18.4	28.5	41.2	45.0	46.9			
"	Ninian	67	17	—	—	(0.2)	0.2	2.2	3.6			
"		1,177	305	(6.0)	18.4	28.3	41.4	47.2	50.5	575	4.5	(14.2)
Burmah	Ninian	34	58	—	—	(0.7)	0.7	7.6	12.2			
"	Thistle	46	32	—	(0.3)	0.4	4.1	7.6	8.3			
"		130	90	—	(0.3)	(0.3)	4.8	15.2	20.5	33	—	—
I.C.I.	Ninian	81	17	—	—	(0.2)	0.2	2.2	3.5	300	5.7	7.4
R.T.Z.	Argyll	17	7	1.0	1.9	1.6	1.4	1.2	1.0	171	4.4	5.0
Shell T & T	Auk	10	2	—	0.5	0.7	0.8	—	—			
" "	Brent	180	32	—	(0.2)	(0.3)	1.8	3.0	6.4			
" "	Cormorant	15	2	—	—	0.1	0.4	0.7	0.8			
" "	Dunlin	23	4	—	—	(0.2)	0.4	0.5	0.7			
" "	Forties	9	2	—	0.1	0.2	0.2	0.3	0.3			
" "	Statfjord	47	9	—	—	—	0.2	0.4	0.7			
" "		284	53	—	0.4	0.5	3.8	4.9	6.9	380	5.2	4.8
Thomson Organisation	Claymore	45	105	—	—	7.9	15.0	18.9	22.3			
	Piper	111	260	(3.4)	15.7	30.0	39.1	40.3	41.3			
" "		156	365	(3.4)	15.7	37.9	54.1	59.2	63.6	194	3.5	31.9
Tricentrol	Thistle	25	80	—	(2.5)	(0.9)	10.0	16.6	17.0	43	2.6	12.0

Source—Wood Mackenzie & Co.

Finance and the family

Leasehold reform act

BY OUR LEGAL STAFF

In a recent reply in connection with the Leasehold Reform Act you wrote that the body of case law built up by decisions of the Lands Tribunal and of the Court of Appeal was now of little assistance and referred readers to the new method of calculating values introduced in Section 118(4) of the Housing Act 1974. Could you indicate what these new provisions are and the effect they will have? Will it cost the lessee more to purchase the freehold than before? Will the Lands Tribunal remain the ultimate authority?

Those cases which fall within the provisions of Section 118(4) of the Housing Act 1974 will probably entail payment of a larger sum than that which would have been payable on applying the old method of calculation. Some properties, with lower rateable values, will still fall to be dealt with under the old system of calculation. In each case the Lands Tribunal remains the forum for determining the correct price to be paid.

Damage by a child

A nine-year-old cyclist speeding along the footpath damaged the rear wing of my car, which means that either I pay for the repairs; send the bill to my insurance company and lose my no-claim discount; or get the insurance company to try to extract payment from the child's parent's insurance company. What do you advise?

You can try to persuade the child's parents to pay, but in law they are not responsible for their nine-year-old child's tortious act. If, therefore, the parents will not agree to pay you, you must sue not the parents but the child. You would not be likely to recover any money in such a suit and even any costs which might be awarded it is likely in practice to have to be paid by you, with little hope of recovery from the child.

Jointly owned house

In the event of the death of a spouse, where a couple own a house as tenants in common, is there any requirement to convey one-half of the property to the survivor? If so, need a solicitor be employed?

The legal estate in a house must be vested in joint owners as joint tenants. On the death of one the estate accrues to the survivor without any conveyance or transfer. If the beneficial tenancy in common is disposed of by will so that the survivor is in fact entitled to the whole beneficial interest as well, a good title can be made to the whole legal and beneficial interest by the survivor on showing the death of the co-owner, probate of his will and an assent under hand by the executor to the survivor. It would therefore not be necessary for solicitors to be employed for the purpose of registration of the survivor as sole beneficial owner.

Disposal on retirement

Following a compulsory purchase order the assets of a company owned by my wife and myself now consists solely of cash. May I, being 69 years old, liquidate this company and have the capital gains tax concession available on disposal of a family business on retirement?

You do not give us much information upon which to base a reply. However, although you do not satisfy the conditions for relief under section 34 of the Finance Act 1965 (as extended and amended by the 1966 and 1974 Finance Acts), it is just possible that the Revenue may grant a measure of relief by concession. Each case is judged on its own merits.

Return to U.K.

I have been working in Brussels since 1951 and have securities and a flat there. On retirement next year, I intend to return permanently to England. What will be my position then regarding the Belgian securities and flat? May I retain them? If a can retain them, what is the Exchange Control position? Would any income have to be repatriated to the U.K., or could I re-invest it it Belgian?

On your return to the U.K. you would be allowed to keep both your securities and the flat acquired during your stay in Brussels. The securities should be deposited with an authorised depositary and after two years should qualify for the investment currency premium. The apartment may be kept, though specific permission would be needed for its disposal and it is not certain that it would be premium-worthy. In general, any income from these assets should be brought to the U.K. and exchanged for sterling though it is possible that you would be allowed to keep some in Belgium for example, for the upkeep of the flat.

Estate agents commission

Owing to long delays in finding a buyer for my flat through an estate agent, at the figure suggested by him, I have now approached a number of other estate agents as well. Could you advise me on the commission position, should I unexpectedly receive an offer for the flat through more than one agent?

Some estate agents do not put anything into writing, others write they will charge commission if a sale results or a buyer is introduced, but one has now written to say he will charge commission as soon as he produces a person ready, willing and able to complete the purchase of the property at a price "duly negotiated." What exactly does this mean?

The right to commission for introduction of a buyer depends on the terms of the contract between you and the agent. If there are no written terms on which you retained the estate agent it will be implied that he should receive commission on introducing a person ready willing and able to purchase. If only one agent introduces the purchaser you should not be met with claims from other agents unless any of the others can claim to have been given the sole agency. You can, of course, always seek to stipulate your own terms for commission. The phrase used in the letter you quote is designed to ensure that the agent gets his commission if he introduces a willing buyer but you are unwilling to go through with the sale or, possibly, if you refused an offer of a price which ought to have been acceptable (for example, the asking price, where there were no other bidders).

CTT and fixed rate loan

Under the terms of her father's will, made some 25 years ago, my wife is entitled to borrow money from the Trust at 3 per cent. She now wishes to borrow some £15,000 in order to pay for an extension to our house. I understand that under the capital transfer tax a person who allows another to have the use of his property for less than full remuneration is treated as making a chargeable transfer. Presumably the Inland Revenue could argue that 3 per cent. is less than the full remuneration although under the terms of her father's will the Trustees have no right to vary the rate of interest.

Would there be liability for capital transfer tax in this case and if so would it be only on the difference between the current market interest rate and the 3 per cent.?

There is no need to worry at present, because the provision you have in mind (section 41 of the Finance Act 1975) does not come into effect until April 6, 1976. This postponement enables the Inland Revenue to spend sufficient time on preparing amendments for inclusion, probably, in the next Finance Bill and it is unlikely that section 41 will in fact come into effect in its present unsatisfactory form.

It is unwise to appear to forecast tax legislation with assurance, but you may well find that the capital transfer tax law does not bite on the 3 per cent. loan to your wife next year, since Bank Rate was only 2 per cent. when your father-in-law made his will (or 2½ per cent. if he made it towards the end of 1951) and he was therefore prescribing a reasonable rate of return on prospective loans by his trustees.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquires will be answered by post as soon as possible.

Unsolicited goods

I took out a subscription to a book club on a coupon where it was stated that there was no need to purchase any number of books and the order may be cancelled any time by notification.

After three books I wrote requesting no more be sent but six weeks later received another book. I will accept this latest book but how can I stop any more arriving, particularly as I do not wish to return them by paying the new higher postal charges?

You can adopt the procedure specified in the Unsolicited Goods and Services Act 1971; but, as you were receiving goods under a contract you must first ensure that a letter warning the supplier that further goods will be unsolicited goods is received by the supplier. If further books are then received you can send to the supplier a notice under Section 1(3) of the Act giving your name and address and stating that the goods have been received by you and may be recovered by the supplier at your address during the period of 30 days beginning with the day on which your notice is received by the supplier. After expiry of the 30-day period the books (if not repossessed) become yours.

Overseas share holding

Will the holding of shares in an overseas company, in my case Hudson's Bay, complicate matters for my executors?

Your shareholding in Hudson's Bay Company should not cause any complication in obtaining probate or in the administration of your estate.

Insurance

Life assurance cover for wives

BY JOHN PHILIP

AS I HAVE said many times—and will say yet once again, the vast majority of family men have not nearly enough life assurance properly to protect their wives and families in the event of premature death. Moreover, for every family man who is adequately insured, there must be hundreds, if not thousands, who either have not thought about insuring their wives' lives, or if they have thought, have rejected the purchase of such policies.

New policy

These thoughts were resuscitated, and are now restated, because last month Legal and General announced the launch of a new kind of family protection policy, under which the death of either the husband or the wife causes the insurers to pay benefit to the survivor and/or the designated beneficiaries.

I emphasise the word "benefit," as distinct from sum assured, because this is in essence a family income benefit policy written on two lives. Consequently on the death of one of them within the chosen term, insurers pay annually till the end of the term the agreed amount of benefit. But if, as is to be hoped, both parties live to the end of the period of insurance then insurers do not have to pay out anything.

Probably most of us considerably underestimate the true monetary worth of our wives—it is only those of us who are deprived, even temporarily, who have any notion of how much it can cost to purchase the services that our wives supply.

Legal and General reckon that the cost to the husband with a young family who has lost his wife, and seeks to replace her with a housekeeper, cook, nannie, and so on as his needs demand, may be as much as £70 a week, and that even when there are no children the cost of replacing the wife's services may be set at £30 a week.

Of course these figures make no allowance whatever for the loss of companionship—but then the purchase of life assurance in this context is basically to cover financial loss resulting from death—to leave the dependent survivor, so near as money can, in the same position as previously.

If the husbands among you think in terms of hard cash that Legal and General's upper valuation is too high, just remember what a short distance an annual wage of £1,500 now goes in the general commercial world. On this comparison, certainly it will not procure anything like the round the clock seven-day-a-week service that the average wife and mother provides, and I would seriously wonder whether even £3,500 would be enough, judging solely from the standpoint of obtaining replacement services. Though perhaps this is not the absolute yardstick, because of necessity the deprived huband would have to undertake himself a number of the tasks that his wife had previously performed.

Inflation

Even if the husband to-day thinks £2,500 a year to be the commercial value of replacing those of his wife's services that he himself cannot perform, he must remember inflation. That figure of £3,500 a year will be reached, and passed, quickly enough unless the rate of inflation comes down to low single figures. So when fixing on the level of income benefit to purchase he must have an eye to his likely future expenditure. But he should not overlook other changes in family circumstances, for example, children growing up, needing less care and indeed perhaps helping to run the home.

Benefit under an annual income policy is not considered by the Revenue to be taxable as income in the way that benefit under a disablement policy is taxable after the first fiscal year has run. Each payment is counted as an instalment of the capital sum assured, the precise size of which is determined at the date of the life assured's death.

The family income policy, whether on one or two lives, is a form of decreasing term assurance, and being a term assurance it is a potentially "qualifying" policy, so that premiums payable thereon are eligible for tax relief, even though the chosen term is less than 10 years.

As I mentioned a few weeks back when discussing some of the life assurance provisions that can be made to meet Capital Transfer Tax liability, those husbands and wives who are taxed together can claim relief on the total premium payable on a policy on their joint lives. But a tax difficulty comes when the husband and wife have elected to have separate tax treatment for then the Revenue will not allow any tax relief to be claimed by either party, even as to that part of the premium relative to his or her own life.

The well-insured husband who wants to buy cover on his wife's life will find that age for age insurers' rates are a little less for women than for men because, on average, women live longer than men. Often insurers discount their male rates by around three years when selling women's life assurance.

For the younger man—say, of 30, with a wife of similar age—the cost of a family income policy on his wife's life to pay £1,000 a year for a 20-year term, will probably be less than 50p a week gross of tax relief; so this kind of insurance is inexpensive and much less than the average man spends in any week on cigarettes and drink, even if he settles for a policy paying £3,500 a year.

Daughters' lives

While I have been concentrating on the value of wives to husbands, much the same arguments can be applied, say, to the value of the daughter who lives with and cares for her parents—they and their daughter also should consider the purchase of life assurance on such daughters' lives. The period of cover may be much shorter than the family man needs in respect of his wife, but the need for cover may be that much greater because of the parents' age and infirmity.

CAREERS AND EDUCATION

The challenge of Tyndale and how it may be dodged

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

NOT EVEN that paradigm of British labour-intensive low productivity—an official public inquiry—should be able to cloud the national importance of what went on at London's William Tyndale junior school. But it could well be that the sheer long-windedness of the proceedings will do so.

On Monday the inquiry is due to emerge from a 12-day adjournment, which was ordered because the umpteem lawyers were fast becoming buried under bundles of documents. Before that, the counsel for the Inner London Education Authority had already spent the best part of three days opening his case by outlining the development over the past 18 months of the dispute between the Islington school's managers and seven of its eight full-time teachers.

So, having not yet completed the ILEA's presentation, and not yet started the cases of the school's managing body, of the teachers, and perhaps of other parties involved, the inquiry is still a long time from finishing. When it does end Mr. Robin Auld, the Queen's Counsel who is in the chair, will need a fair time to prepare his report. Then there will be another delay while the Inner London Education Authority's schools sub-committee considers the report. Then there will doubtless be a further delay before the authority announces how much the exercise has cost the ratepayers.

Main issues

The cost, whatever it is, will be justified only if the main issues of the dispute somehow survive the obvious threat of procedural obfuscation, and are translated by the ILEA sub-committee into clear principles by which the country's schools can be more effectively run in the interests of the public who are obliged to use and to pay for them.

Before tackling what is arguably the main matter for clarification, I am going to deal with another issue.

Whether falsely or not, the William Tyndale junior school affair has raised the question of parents' rights and administrators' duties where the teaching provided in a school reflects a particular religious or political faith.

Surely there can be no doubt here? The administrators should have a duty to identify such biases and to make them thoroughly publicly known, possibly by means of an indication in the particular school's title. The parents should have a right to choose against any such school for the education of their children.

What, to my mind, is the main issue is something more fundamental than parents' rights. There is a compelling weight of evidence for believing that the children who do worst out of our £6,000m.-a-year State education system are those whose parents take no interest in their schooling. Most of these children are plainly not going to benefit much by the existence of parental rights which their own mothers and fathers are either too ignorant or too careless to exercise. Which suggests to me the need to give the children themselves the right to certain basic benefits from their schooling.

Loggerheads

At present children are required by law to invest at least 11 years in attending school, and in return are entitled to nothing at all specific. Apart from a certain amount of notoriously loosely-defined "religious" education, what they receive can effectively be anything which their teachers choose to supply. And even after 175 years of compulsory schooling in this country, members of the teaching force remain, at loggerheads about what should be the purposes, let alone the practices, of their professional activity.

If only for the sake of equity, the time has come to give all children with the necessary mental and physical capability the clear right to leave school with at least the operational skills of reading, writing and numbering, and to place on the teaching force a duty to fulfil this right whether the child happens to want it or not.

Given government's long standing fear of straying into what the teachers' unions consider their preserves, this much-needed bit of simple justice is not likely to be established by statute. But we do now have the opportunity of having the combination of basic right and duty clarified and acknowledged by precedent as a result of the public inquiry into the Tyndale school.

The apparent evidence so far is that the teachers have declared that enabling their pupils to read and express themselves clearly, and providing their pupils with a good grounding in mathematics, are two of the junior school's five aims. So it is hard to avoid the conclusion that the teachers have voluntarily accepted that the inculcation of literate and numerate skills is rightfully an important measure of their professional competence.

However, the evidence so far is also that since more than 18 months ago parents of pupils at the school have been complaining to its managing body about their children's poor attainment in such things as reading, writing and arithmetic, and that a good number have removed their children from the school. Moreover, the preliminary report of the education authority's inspectors, which was unofficially disclosed before the public inquiry opened, indicated a noticeable lack of literate and numerate capability among William Tyndale junior's remaining pupils, and of systematic schemes for teaching the three Rs.

This evidence that the teachers were failing adequately to achieve two of their self-declared aims may well, of course, be firmly refuted before the public inquiry ends. But if it is not, Mr. Auld will surely be obliged to give this matter due emphasis in his report. And in that event, the Inner London schools sub-committee would have a considerable dilemma.

In the face of public opinion, the sub-committee could hardly ignore the existence of deficient teaching of the three Rs among the established evidence that the school's managers were right to contend that the seven staff involved in the dispute were failing in their professional duty. Nor in that case could it safely avoid punishing the staff, perhaps by dismissing them.

But if the sub-committee did act in this way, it surely would be effectively establishing the inculcating of operational literacy and numeracy as a standard by which teachers' professional competence—and liability to dismissal—should be judged. Nobody really knows the precise percentage of children who now leave school unable to read, write and number, but it is certainly high enough to suggest that a substantial proportion of the country's school staff is not adequately teaching these skills. So by establishing such a precedent the sub-committe would be laying the whole State education service wide open to numerous charges of incompetence among the teaching force, and to a pitched battle with the National Union of Teachers.

Dilemma

I feel that anxiety to avoid the dilemma may underlie the Inner London authority's plan that, after the public inquiry closes, the seven Tyndale teachers should go before a separate disciplinary hearing. This hearing would concern itself solely with the charge that the seven staged an unofficial strike during which they twice ignored instructions from the authority (and also from the NUT) to return to work. So the disciplinary hearing could become a vehicle for dismissing the staff, reorganising the school, and sparing the education authorities and the unions embarrassment by simply removing the need for any action to be taken as a result of the public inquiry into the broad issues of the dispute.

If this were to happen, it would be a shoddy thing indeed. The public inquiry could not fail to prejudice the teachers' case before the disciplinary hearing. The proceedings before Mr. Auld would become, not only a costly, but also an insubstantial pageant. And all the nationally important nettles raised by the Tyndale junior school affair would be left ungrasped.

Economic Diary

PRIME MINISTER speaks at Lord Mayor's banquet, Guildhall, on Monday.

Other events and statistics next week include:

MONDAY—European Central Bankers begin two-day monthly meeting in Basle. Mrs. Margaret Thatcher, Conservative Leader, at Tory Party rally, Fairfield Hall, Croydon. Sir William Batty, president Society of Motor Manufacturers, at Scottish Motor Show dinner, Glasgow. EEC Council of Ministers of Agriculture two-day meeting begins in Brussels. Hire purchase and other instalment credit business (September). Retail trade (September—final). Wholesale price index (October).

TUESDAY—Lord Stokes at Scottish Motor Show. Industrial production index (September).

WEDNESDAY—Present session of Parliament expected to end. Mrs. Barbara Castle, Social Services Secretary, at Women's National Commission meeting, St. Ermin's Hotel, London.

THURSDAY—End of Iceland's fishing agreement with Britain. Dr. John Gilbert, Minister of Transport, is principal guest at Confederation of British Road Passenger Transport annual dinner, Connaught Rooms, London. Finished steel consumption and stock changes (third quarter—provisional).

FRIDAY—CBI conference on counter-inflation policy. Provisional U.K. trade figures for October, incorporating import and export unit value and volume index and terms of trade. Retail prices index (October). Building Societies receipts and loans (October). British Steel Corporation production (October).

SATURDAY—Six-power summit on world economy opens in France.

CHESS SOLUTIONS

Solution to Position No. 87. 1 RxP, QxR; 2 BxP ch, K-R1; 3 QxQ, RxR ch; 4 K-B2, RxB; 5 Q-KR5! (the move Uhlmann overlooked) wins one of the black rooks and the game.

Solution to Problem No. 87. 1 R-B2. If 1 . . . KxR; 2 R-K2, PxR; 3 N-B3 mate. If 1 . . . PxR; 2 P-B5, K-Q4; 3 R-B5 mate.

TORY CHANGE AT EEC PARLIAMENT

Mr. James Scott-Hopkins, Conservative MP for West Derbyshire, is to take over the leadership of the Conservative delegation to the European Parliament during the absence of Mr. Peter Kirk, who has been advised by his doctors to rest for several weeks.

CLOSURE DATE FOR RAIL STATION

East Brixton railway station in South London is to be closed on January 5 next year because of declining "passengers and the poor condition of the buildings," British Rail said yesterday.

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Motoring

Sprite Musketeer 'CD' £1,050.46 ex works inclusive VAT

A case for caravans

BY JAMES ENSOR

THE INTERNATIONAL Caravanning and Camping Exhibition, which opened in London this week, sees the caravan industry in a more depressed state than it has been at any time since its great boom in the late Sixties.

Higher petrol prices, which have curbed people's motoring holidays, and the general recession had already affected the industry severely, when the luxury rate of VAT was imposed. The result, inevitably, has been to give another sharp downward kick to sales.

In the U.S.A., still the home of motorised camping, "motor home builders" as they are somewhat self-importantly styled have been going out of business in very large numbers. Winnebago Industries, once a darling of Wall Street, has seen its share price skid to a fraction of its former worth.

Although a caravanning holiday is not quite the bargain it once was, it still represents a much more economical way of taking a family abroad than the alternatives of booking a hotel or hiring a villa. A caravan parked on even one of the most expensive sites in the South of France should cost no more than £3 or £4 a day, while away from the Mediterranean the costs are still much lower.

Buying a caravan, however, may not be the most economical way of having a caravanning holiday, unless one is able to get more than the typical average of three to four weeks use a year from it. For with to-day's high prices, the cost of depreciation can be quite heavy.

An alternative which seems to be coming more and more into vogue is to hire a caravan just for the summer holiday season. This can be done from most of the bigger caravan dealers in Britain, but if you are planning a continental holiday, it might make much more sense to cut the cost of ferrying the van across the Channel by picking one up in France.

United British Caravans, a big caravan dealer based just by Heathrow Airport, decided that this was a logical idea and teamed up with British Rail to offer a package deal. This includes the cost of hiring a caravan for one or two weeks and of ferrying a car and its passengers across the Channel. Typically the cost would work out at about £140 for a family of four, with a two-litre car and a medium-sized caravan, travelling just outside the peak season.

UBC established a subsidiary based at Le Touquet, within easy reach of Boulogne or Calais, which provides caravans for British tourists travelling in or through France. It offers a range of Sprite caravans from Caravans International, which come in 12 feet, 14 feet or 16 feet lengths, basically to suit four people, though the largest vans can accommodate more at a pinch.

The service offered is efficient and helpful, with documentation and hiring procedures carried out politely and speedily. Perhaps the only drawback is the stipulation that the vans must be picked up and returned on specified days, between severely restricted times.

Another way of saving the ferry charges and road tolls and extra petrol bills, as well, is to hire a caravan that is based on a fixed site, but let out by the week or fortnight. Most of these caravans are privately owned and stationed by their owners in particular places, where they are let when not needed for family holidays. The biggest drawback of this system, of course, is that you may discover, too late, that you don't agree with the owner's tastes in location.

Towing a modern caravan, such as the Sprite range, is no longer the danger that it once was. The improvement in suspension design of both caravans and cars and the efforts of some car manufacturers (notably Volvo) to adapt their vehicles to towing have made high speed cruising a really safe proposition. On autoroutes, for instance, it was possible to tow a 14 feet Sprite with a Volvo 264 at over 65 mph without any hint of the snaking which can be so dangerous. Slower speeds, however, are still advisable downhill.

Fuel consumption tends to be rather heavy, of course, particularly at high speeds, because of the extra drag of the caravan. The Volvo 264, a heavy car, was able to offer no more than 16-17 mpg when towing against perhaps 20 mpg unharnessed. Autoroute tolls are also higher if you are towing a caravan.

The Sprite, with such extra features as a refrigerator and a small shower, is as comfortable as one can be within the compass of 14 feet.

Golf

Nicklaus strikes again

BY BEN WRIGHT

FROM START to finish, Jack Nicklaus' fourth victory in the Australian Open Golf Championship, played at the Australian Golf Club, Sydney, the country's oldest, dating from 1882, was as inevitable as it was anti-climatic.

Nicklaus had incredibly played 10 previous competitive rounds over what is virtually a links course—and a very good one at that measuring 7,078 yards—without beating the par of 72.

On this satisfying occasion for this increasingly relaxed and delightful genius, Nicklaus recorded scores of 67, 70, 70 and 72 for a nine under par total of 279. This gave him a three stroke advantage over his nearest rival, his up and coming 28-year-old compatriot Bill Brask, and a five stroke lead over Gary Player and the Australians David Graham, Ian Stanley and Billy Dunk.

Course record

Billy Dunk yet against proved his startling ability to break course records—he has done so on more than 70 occasions—with a first round of 65. But after matching Nicklaus stroke for stroke on the second day despite a disastrous seven at the 17th hole, Dunk also yet again proved his apparent inability to string together four good rounds by slumping to 77 on the final day, at the start of which he had shared the lead with Nicklaus.

In fact Dunk was leading the field by no less than four shots when he played the 17th on the second day. At the time the hole was comfortably within the range of a drive and long iron second, the shortest par five on the course.

The hole swings first to the right round bushes and then abruptly to the left round a massive, scrub-covered sandhill—rather like the first at Royal Birkdale in reverse—so the drive is best placed to the right half of the fairway.

But Dunk favours the right to left shape to compensate for his size and lack of length, and on this occasion, as on many others under pressure, he hooked his ball into the semi-rough. From here it would have been simple enough to reach the green with his four-wood, but this time Dunk's disastrous hook landed him in the roots of a sizeable bush.

A wrong decision, as he described it, was then taken to hack at the ball rather than drop it clear under penalty. The first hack only put Dunk in a worse spot, from which he was forced to play left-handed. He then shanked into the front bunker, and was forced to hole out bravely from seven feet for his seven. His lead was promptly halved, but I fancy the damage was more psychological than physical.

Similarly it was a last hole disaster in Saturday's third round that destroyed Player's momentum, and deprived the record crowds of the expected final afternoon confrontation between the South African and Nicklaus.

Player at last appeared to have relaxed a little on Friday, at which stage the threatened anti-apartheid demonstrations had yet to materialise. His brilliant 67 had put him back into contention, and on Saturday, despite the demonstrations that were quickly controlled by plainclothes police, Player was only two shots behind Dunk and Nicklaus when he came to the magnificent 427 metres 18th hole.

Cavernous bunker

This hole, which swings left, demands a really straight drive between impenetrable bushes on the left, and a huge, scrub-covered dune on the right known as "Dunk's Hill," on which the little Australian has destroyed himself more than once in the past. Player hooked wide of the bushes. But now he was forced to play over a lake to the left, and beyond it a cavernous bunker set expressly to nullify the advantage of those who choose to drive down the 17th fairway. Player's four-iron shot never got up enough to carry the water, he took six, and, as he said ruefully at the time, he then needed a miracle—that was not forthcoming—to give Nicklaus a four strokes start and catch him.

Thus Nicklaus was enabled to play conservatively on Sunday, keeping a weather eye on the leader boards as his challengers fell apart one by one. Just as Brask and Stanley began to appear dangerous, Nicklaus rolled in a long putt for a birdie three at the 15th to put the issue beyond doubt.

Nicklaus confirmed when I interviewed him on television after this happy ending to his best ever season that he had seldom been more relaxed or driven better. He had gleaned his driver of 1946 vintage from his business partner in their golf club design and manufacturing concern in Florida, David Graham, and had it re-shafted by its previous owner. Jack confirmed that some of the great players are currently searching for older and superior wooden club heads.

The great man's rapping putting stroke with its firm pushed follow through was, like Dunk's, perfectly suited to heavily grained greens. But most interesting of all, Nicklaus confirmed that only now does he feel that he is beginning to approach his peak, a fact that was borne out by some superb bunker and wedge play.

At the presentation before he flew off to fish for black marlin off the Great Barrier Reef, Nicklaus spoke of the television coverage of the Bulletin 1975 Australian Open, sponsored by the magazine of that name in conjunction with Sydney's Television Channel Nine and others as arguably having been the best ever seen in the world.

Fantastic job

Six outside broadcast vans co-ordinating the efforts of 24 cameras and 49 microphones fed by five kilometres of cable covered the entire 18 holes with the exception of drives at the 510 metres 5th hole.

Mac Hemion, the brilliant American director formerly with ABC and now about to begin a similar assignment with NBC as senior golf director, did a fantastic job in controlling the output fed to him by five assistant directors, none of whom he had previously met on this, his first trip to Australia. As his senior commentator I can say that it was a privilege to be associated with such a wonderful team effort. Hemion is a genius.

Bridge

Yielding to pressure

BY E. P. C. COTTER

TWO interesting slam hands came up last week at rubber bridge. This is the first:

N.
♠ K J 3
♡ A 9 8 6 2
♢ A K 8 7
♣ K

W.
♠ 8 4
♡ K J 10 5 4
♢ Q 10 3 2
♣ Q 10

E.
♠ 6 2
♡ Q
♢ J 9 5
♣ J 9 8 5 4 3 2

S.
♠ A Q 10 9 7 5
♡ 7 3
♢ 6 4
♣ A 7 6

South dealt at game all and bid one spade, correct in spite of the mere ten high-card points. Equally correct was his partner's forcing take-out of three hearts, but South's rebid of four spades was utterly wrong. Such a jump rebid in an already forcing situation shows a solid suit, something he does not possess. North, it is true, knows that South's spades are not solid, but he thought that he must have some good reason for this rebid, so after a Blackwood check for Aces, he bid the grand slam in spades.

When dummy was exposed after West's lead of the spade eight, South gave his partner a far from friendly look. He could see only 12 tricks, and, being no squeeze artist, he went down amid mutual recriminations.

South was the sinner technically, but North was psychologically wrong in advancing beyond the small slam.

Let us play the hand together. We win trick one in hand and lead a club to the King, and return to hand with a trump to ruff a low club. With the trumps now drawn, we cash Ace and King of diamonds and ruff a low diamond in hand. This is known as *isolating the menace*, a manoeuvre to ensure that only one defender can guard a particular suit.

Now we cash the club Ace, and when West shows out, it seems certain that the squeeze is on. Only if East has the diamond Queen and no heart, can the squeeze fail. And that is impossible, for with K Q J of hearts West would have led a heart, and with a heart void East would have employed a *Lightner slam double*. So we run off our trumps, and West surrenders.

I was declarer in the second hand:

N.
♠ Q J 4
♡ J 4 3
♢ A K 8 6
♣ K 10 2

W.
♠ 9 8 7
♡ Q 9 8 2
♢ J 9 7 4
♣ 7 4

E.
♠ 6 3 2
♡ K 10
♢ 10 2
♣ Q 9 8 6 5 3

S.
♠ A K 10 5
♡ A 7 6 5
♢ Q 5 3
♣ A J

At love all my partner, North, dealt and bid one diamond, and I jumped to six no trumps. Crazy, you say, but there was method in my madness. My partner confesses to being unable to execute squeezes. I felt that a no trump slam was the probable answer, but that if I made a forcing take-out of two spades, my partner would almost surely rebid in no trumps.

I would like to tell you that there was a happy ending, but there was not. West led the nine of spades, and I cashed three rounds, ending on the table. I led the two of clubs, intending to finesse the Knave, but suddenly, remembering West's short suit lead, I changed my mind, won with the Ace, and finessed the Knave. East won, and all I could now do was to apologise to my partner.

But let us see what would have happened without that fatal change of mind. I win trick four with the club Knave and cash the Ace. Now I lead a low heart to the Knave and King—this is to rectify the count—and East returns the heart ten. I take my Ace, cash the fourth spade, which forces a heart discard from West, and cross to dummy's diamond King, and the King of clubs, on which I throw a heart, turns the screw on West. He must either set up the seven of hearts or the eight of diamonds.

APPOINTMENTS

Rank group senior executive change

Mr. Victor G. P. Weake has been appointed managing director of RANK RADIO INTERNATIONAL in succession to Mr. J. Lines, who has resigned. Mr. Weake retains his position as managing director of English Numbering Machines, a subsidiary of the Rank Organisation, and continues as chairman of Brim-Exports.

★

Mr. John Dugdale has resigned as chairman of TELFORD DEVELOPMENT CORPORATION, and has been succeeded by Mr. Donald Chapman, deputy chairman of the Corporation. Mr. Chapman is also chairman of the Development Commission and a former MP for Birmingham (Northfield). Viscount Boyne has been appointed deputy chairman in succession to Mr. Chapman.

★

Mr. Selwyn White has been appointed financial director of E. GOMME and will take up his apointment on December 1. Mr. White was previously with the Rank Organisation.

★

Mr. Josep M. Lloveras has been appointed London representative of BANCA CATALANA and Banco Industrial de Cataluña, succeeding Mr. Philip McMahan Bolich, Jr., who has been appointed director of international financial relations of the group in Spain.

★

Mr. W. D. T. Tapley and Mr. J. C. Cahill have been appointed deputy managing directors of BTR. They were previously group chief executives.

★

Mr. C. R. B. Townend has been appointed chairman of the LUKELY ENGINEERING AND MOULDING COMPANY.

★

Mr. R. E. Spelman, the resident director of BRAIDEX, becomes deputy managing director. Mr. D. W. G. Rimes joins the Board as works director.

★

Mr. R. L. Bannister has been appointed director of manufacturing by PITNEY BOWES. Mr. Bannister was previously with Tube Investments.

★

Mr. F. O. Kirk, managing director of Drewry and Edwards has been appointed to the Board of the parent company, RELIANCE KNITWEAR GROUP.

★

Mr. R. Fyfe has been appointed to the Board of TUFNOL. He was previously general sales manager.

★

Mr. H. Case has been appointed to the Board of CELDIS as operations director. He was previously financial director of SDS Components, another Unidis company.

★

Mr. Stephen Carter, operations director of Quelrayn (a Carrington Viyella subsidiary), has been seconded to the Department of Industry as director, Clothing Scheme administration unit. He will be based at the Department's North West regional office in Manchester, from where the scheme is being adminstered.

★

Mr. P. N. M. Rudder has been appointed a director of BET OMNIBUS SERVICES in place of Mr. D. D. Williams, who has resigned from the Board.

★

Three appointments of divisional general managers have been made by OXY METAL INDUSTRIES (G.B.). They are Mr. David Hemsley (marketing), Mr. C. Wilson (equipment sales and engineering), and Mr. D. Newman (production and supply). The company is a subsidiary of the Occidental Petroleum Corporation.

FT/SOTHEBY'S REVIEW OF THE ART MARKET

A major figure in the development of twentieth-century design

A POLISHED bronze, *Blond Negress II* by Constantin Brancusi, dating from 1926 and a mere 15 inches high, last year became the most expensive sculpture ever sold at auction. Its price at Sotheby Parke Bernet, New York, £312,500, remarkable enough in itself, was made even more extraordinary by the fact that 14 years previously it had passed through the same saleroom and fetched £14,270. Only the huge prices paid publicly 50 years ago for the work of Houdon, the 18th-century French sculptor, may be compared to the 1974 price for the Brancusi. Until this piece appeared for the second time, the £50,650 paid in 1928 at the American Art Association's galleries in New York for the marble bust of Sabine Houdon, now in the Metropolitan Museum, was, in real money terms, the highest price paid at auction for a sculpture.

More recently only three other sculptures have fetched over £100,000 at auction: Degas' *Petite Danseuse de Quatorze Ans* which realised £158,333 at Sotheby Parke Bernet, New York, in 1971, Matisse's *Nu Couché 1*, which fetched £144,000 in the same saleroom in 1973, and Brancusi's bronze *Sleeping Muse*, which realised £110,000 in the Doucet sale in Paris in March, 1974, the couturier Jacques Doucet was one of the artist's earliest patrons.

Not known

Brancusi, despite the fact that he is recognised as one of the very great masters of modern art, is a man whose work is not widely known to the general public. In large measure this is because his work is almost all three-dimensional; for some reason, with few exceptions, sculptors do not attain the same degree of widespread fame as painters, although one would have thought that the medium of sculpture was more intellectually open to ordinary people. Since the Impressionists, the best sculptors have often been great painters as well—Degas, Picasso, Matisse, Modigliani—but with the latter activity overshadowing the former. Jacob Epstein and Henry Moore are probably the two most widely-known sculptors in the English speaking world, although this has probably more to do with the scandals their work once caused than with any serious consideration of their status as artists.

Brancusi, whose work with the exception of those pieces exhibited in the Armory show in New York in 1913, never provoked heated public debate, was neither so prolific nor so overt as either Epstein or Moore, and is thus less accessible. Nevertheless, it is strange that, whereas most critics would not hesitate to call him the greatest sculptor of the 20th century, his name and work is hardly known to any but collectors and students of 20th century art.

Born in Romania in 1876, of peasant stock, Brancusi enrolled at the Craiova School of Arts and Crafts in 1894. In 1898 he joined the Bucharest School of Fine Arts, where he remained until 1901. In 1904 he arrived in Paris, having walked most of the way from Bucharest, visiting Munich and Basle en route. Paris was to remain his home for the rest of his life; he died there is 1957 and was buried in the Cimetière Montparnasse, the site of a version of one of his most famous sculptural images, *The Kiss*, of 1909.

Themes

Throughout his working life Brancusi concentrated on a number of themes. The embracing couple called *The Kiss* is one. Another is the ovoid reclining head, variations on which have titles such as *Sleeping Muse*, *Prometheus*, *The New Born*, *Sculpture for the Blind*, *The First Cry*, *Beginning of the World*, and *Sleeping Child*. This is perhaps Brancusi's most consistent image, its origins being traceable to the realistically modelled heads of babies sleeping, executed around 1906-7. It is a theme rich in allusion — sleep, birth, death and fertility. In the latter context some of the variations — for instance, the *Beginning of the World* — are reduced to simple oviforms, the inspiration for which Brancusi derived in part from the Indian *lingam*, a smooth, polished stone of phallic symbolism.

Other themes include birds (*Bird in Space*, *Little Bird*, *Maiastra*, *Golden Bird*, *The Cock*, *Penguins*), animals and reptiles (*The Seal*, *Turtle*, *Flying Turtle*, *Nocturnal animal*, *Fish Leda*) and a series of portrait heads of women (*Baroness R. F.*, *Mlle. Pogany*, *The Muse*, *Donaide*, *Princess X*, *The Baroness*, *Eileen*, *The White Negress*, *Portrait of Nancy Cunard* and *Portrait of Mrs. Eugene Meyer Jnr.*). Two of the portraits *Mlle. Pogany* and *Danaide*, fascinated the artist througout his career, and he returned to them many times, executing fresh versions in different materials. There are also several variations on the theme of the female torso and many caryatids, stools, cups and "endless columns," usually carved in wood and showing the dual influences of African sculpture and Romanian rustic wood-carving.

Favoured

Brancusi's two favoured materials were polished bronze and marble (although he made extensive use of wood, various rough grained stones and cement). Though he specifically denied any intention of emphasising the beauty of the material itself, it is easy to divorce the splendid, tactile qualities of the two media he most often employed from the formal qualities of the images. Certainly in both these aspects the superb technical quality of his sculptures as well as the stylistic innovations they represent—he had a profound influence on twentieth century sculpture. With the Cubists, he can claim also to have initiated that style which became known as Art Deco. This influence can be seen not only in the carved wood furniture made by many of the best French craftsmen in the 1920s but also in the work of the leading Art Deco sculptors—Lambert-Rucki, Idenbaum, Miklos and Leyritz.

Collectors

It could be argued that the popularity of polished bronze among to-day's sculptors is in large measure a homage to Brancusi, while echoes of his smooth ovoid forms can be seen even in such distant places as the work of one of the greatest living potters, Hans Coper. Indeed, Brancusi must surely be seen as one of the seminal figures in the development not only of 20th century art but also of modern design.

Certainly this is a view which has been endorsed by collectors for some years. When the *Blond Negress* appeared for the first time at auction in 1960, its price of £14,270 was itself an auction record for a 20th century sculpture, broken only at the Helena Rubenstein sale at Parke Bernet in 1966 when *The Bird in Space*, one of several versions in bronze of this majestic image, realised £50,000. In the same sale, a marble version of the *Blond Negress* was purchased by the Art Institute of Chicago for £32,800. In 1972 and 1974 two bronze versions of the *Sleeping Muse* fetched £71,400 (at Christie's) and £110,000 (in Paris), an interesting increase of price in two years. Even the 1974 price of the bronze *Blond Negress* did not come as a complete surprise, for in 1973 the Tate Gallery had purchased a bronze version of *Maiastra* from Malborough Fine Arts for a reputed $500,000. It is probable however, that even the current record of £312,500 will not stand if other important works by Brancusi appear on the open market in the next few years.

New equipment for firemen

A UNIT has been brought into operation by the London Fire Brigade to deal with the increasing number of chemical incidents in Greater London.

Housed in a three-ton Commer walk-through van, it was called out for the first time on Thursday night to identify fumes leaking from a 45-gallon drum at a factory in Harlesden, North London.

The brigade has attended more than 300 chemical incidents in Greater London since February, 1973.

Import controls statement soon

By John Bourne, Lobby Editor

THE GOVERNMENT'S Parliamentary business managers believe that there will be an early Ministerial statement on import controls for the textile and footwear industries.

They believe it would be best made next week before Parliament is due to be prorogued, and that the statement should be a "positive" one rather than a holding operation.

Travel

The call of the islands

BY PAUL MARTIN

WE IN BRITAIN happen to live on a rather large island. This simple geographical fact has both influenced our national character and played a major role in our history but there is an element of contradiction when a race of islanders choose smaller ones as regular holiday hideaways. It starts at the top, as the Prime Minister is a frequent visitor to the Scillies. Perhaps he is consoled by the thought that he is just about as remote there as it is possible to be, while still remaining in the United Kingdom.

But does an island holiday necessarily imply getting away from it all? In many cases it is quite the contrary. One has only to think of the countless thousands who flock, like lemmings in a mad rush to the sea, to the beaches of the Balearic Islands and to favoured and familiar island haunts in the idyllic Aegean.

The islands around our own coasts attract the faithful who return there year after year, whether to rediscover all that the Isle of Wight has to offer or to sample the contrasts in the Channel Islands, where Jersey provides more bright lights in contrast to the subtler attractions of Guernsey.

So, on this island theme, I have chosen three, each very different from the other, one in the Caribbean, another off the African coast and the third in the Mediterranean.

It was not until my third visit to Malta that I found time to cross over on the ferry to Mgarr, the colourful little harbour of Gozo, dominated by a church perched high on the rock with the aptly named Up-to-Date garage and the oddly located Gleneagles Bar, providing a first introduction to the lovely green but diminutive island which is Malta's little sister.

Here all the roads lead to the capital, Victoria, which, in a somewhat confusing way, is also called Rabat. A delightful little rectangular bay at Xlendi guarantees absolutely safe bathing and I would certainly advise the walk out to the great azure window, carved by nature in the rock at Dwerja Point near the inland sea which runs underground through the headland.

Gozo has a quite enchanting hotel in the Ta'Cenc where, away from the central reception and restaurant area, individual apartments are attractively

Mgarr harbour, Gozo

landscaped around an imaginatively-designed swimming-pool. All rooms have private facilities and there are tennis courts in the grounds. Full pension rates in a pool-side bungalow are around £M20 per day for double occupancy and a double room with breakfast works out at £M10, again for two people. (£M is currently around 80p).

While Gozo is green and fertile, Lanzarote, in the Spanish Canary Islands, is strange, haunting, seemingly barren and the nearest earthly equivalent to a lunar landscape. Calling in there on a cruise, I was fascinated by the giant lava boulders hurled to the surface by monstrous volcanic explosions and by the apparent harshness of the countryside. Yet, over that red parched earth, protected by layers of black lava dust, camels draw the ploughs and the vines, drawing moisture from the dew on an island that has virtually no rainfall, produce a surprisingly potent white wine.

The capital, Arrecife, remains, in spite of recent expansion, an agreeable kind of shanty town but there has been a considerable development of beach facilities at Puerto del Carmen with the Playa Blanca complex and the excellent Los Fariones hotel. Wings, tour operators, quote a minimum of £175 for an inclusive 14-day holiday there while the lowest rate for a week at the Hotel Lancelot Playa in Arrecife is £83.

Finally, the welcoming warmth of the sugar island of Barbados. Here is a world of splendid beaches stretching away from the capital, Bridgetown, up towards the point, beyond Speightstown in the very north of the island, where the gentle waters of the Caribbean engage in ocean-going conflict at the point where they meet the great Atlantic rollers.

There is superb surfing on the east coast but only for those who have already mastered the technique. Barbados provides elsewhere perfectly safe swimming in that gorgeous multi-coloured sea with a temperature that only varies by about 10 degrees throughout the year. Certainly no glossy brochure or colour supplement can over-paint the pleasures of the sunset hour when, over a rum-based cocktail, you find yourself postponing the moment when it is time to change for dinner.

At the top end of the market and in the cossetted luxury of Sandy Lane, Cooks quote a minimum of £314 for an inclusive 16-day holiday while their "Sunbird" arrangements, using a studio apartment, are available from £167 according to season.

For those British islanders disposed to move away from our own grey winter skies, the choice of destination remains a matter of personal taste but it is only by chasing the sun across the hemispheres that you will find a true guarantee of winter sunshine and tropical warmth.

Further information: Alta Holidays, 57, Victoria Street, London SW1H 0HG. Barbados Board of Tourism, 6, Upper Belgrave Street, London, S.W.1. Thomas Cook, Berkeley Street, London W1A 1ER. Exchange Travel, Sterling House, 19, Holborn, London EC1N 2JS. Kuoni-Houlders, Deepdene House, Dorking, Surrey. Malta Government Tourist Office, Malta House, 24, Haymarket, London, S.W.1. Meon Villa Holidays, 32, High Street, Petersfield, Hampshire. Sovereign Holidays, P.O. Box 410, West London Terminal Cromwell Road, London SW7 4ED. Spanish National Tourist Office, 70, Jermyn Street, London SW1Y 6PD. Wings, Wings House, Welwyn Garden City, Herts.

Your week-end £: Austria 37, Belgium 81.25, France 8.94, Italy 1.515, Greece 73, Spain 123.75, Switzerland 5.39, U.S. 2.065. Source: Thomas Cook.

Gardening

Learning to grow vegetables

BY A. G. L. HELLYER

PUBLISHERS CLEARLY believe that the drive to grow more vegetables in the garden is going to increase as inflation bites deeper and that for them there is a killing to be made out of it.

That, at least, would seem to be the obvious deduction from the spate of vegetable books that has descended on me lately. They could well be right, for even with seeds, seed potatoes, fertilisers and all the other ancillaries to vegetable gardening rocketing in price it seems likely that it is going to continue to be a lot cheaper to grow one's own than purchase in the shops.

Most practical

I wish I could feel as sure about the quality of the advice that is being given in some of the new books. Most of them are beautifully produced and lavishly illustrated, but that simply increases their price and does little to help the would-be vegetable grower.

One of the most practical of the new books is Good Housekeeping Vegetable Growing by Sheila Howarth, who is a practical gardener and housewife as well as being a professional writer. Her publishers have avoided the mistake of spending a lot of money on colour photographs and the line illustrations on every page are clear and helpful.

Personally I find it rather confusing that the harvesting of crops should be dealt with in a separate section so that, for example, one has to turn to one page to learn how to grow cucumbers and to a completely different page to be told how and when to cut them. But this is a minor inconvenience.

More serious from my point of view is the amount of space wasted on large type, widely spaced lines and broad margins which make this look like a children's book and must have contributed materially to the rather high price of £2.50.

However, this is nothing to the lavish production of Your Kitchen Garden by George Seddon and Helena Radecka, a grow and cook book just published by Michael Beazley and the Edenlite greenhouse firm. This is an art editor's dream with huge colour plates of vegetables and a great number of illustrations from drawings and paintings, all of first-class quality, and an elaborately "busy" page by page layout which certainly makes the book exciting to look at.

In fact, with all this production expertise I suppose that the price of £3.95 in limp laminated covers (a hard back edition costs a lot more) is really quite reasonable. What worries me is whether this is really the best use of resources when one is facing a crisis potentially as dangerous (though admittedly a good deal less dramatic) as those of two world wars.

Also I hope that those who rely on Your Kitchen Garden to guide them through all the complexities of growing vegetables in garden or allotment do not take everything that Mr. Seddon says too seriously. I do not mean by this that he says anything that is positively wrong, but I get the impression that he is frequently repeating items of information without fully appreciating their import.

Soil acidity

For example, for each vegetable he quotes a pH figure—that is, a precise degree of soil acidity—which by implication is necessary for optimum results. Thus readers are informed that carrots should have soil with pH 6.3 to 6.4, peas require pH 6.5, celery pH 5.8 to 6 and so on.

It may well be that some scientist has shown these degrees of soil acidity to be ideal under certain conditions, but if so it is completely impractical to do anything about it in a small garden. One can slowly raise the pH of a naturally acid soil by annual dressings of lime, but there is no way of doing it instantly and accurately from row to row, nor is there any satisfactory method of lowering the pH of alkaline soil except by repeated heavy applications of dung, peat and similar materials over a period of many years.

Fortunately it matters little. Most vegetables will grow well in a wide pH range provided the soil is well cultivated and properly fed. As a long-term policy it is wise to work towards slight soil acidity or neutrality, say pH 6.5 to 7.0 since this is a useful middle range and one that is likely to avoid some feeding problems caused by unwanted chemical reactions in the soil. But anyone who starts worrying about detailed crop by crop pH in a garden is just setting himself an impossible problem and the quicker he forgets it the better.

The other thing that bothers me about all the new books and, for that matter, about the old ones too, including some for which I am responsible, is that they do not take into account the entirely changed scale on which most people garden to-day. Too often it all sounds as though most of us still had allotment sized plots (and that means something like 300 square yards) on which to grow vegetables, whereas in fact most will be lucky to have more than a tenth of that.

No one seems to have got down to the problem of doing something useful with pocket handkerchief sized plots except perhaps the Ciba-Geigy chemical company who last year produced a vegetable cropping scheme based on a unit of not more than three feet by seven feet. This they did partly by adopting much closer spacing than has b eentraditionalTHMAA been traditional, partly by following one crop after another so that the soil was hardly ever vacant.

Too generous

It may be that this scheme somewhat exaggerated the possibilities, but I feel sure that these are the lines on which writers of new vegetable books for amateurs should be thinking. Traditional spacing is based partly on field practice, even more on what was done a century ago in the large kitchen gardens of the rich, managed by professional gardeners part of whose aim was usually to exhibit, and thus establish their own superiority. Even some of Miss Howarth's spacings strike me as far too generous for the tiny gardens most of her readers are likely to have.

SALEROOM

High prices for humble pictures

By Antony Thorncroft

SOME OF the pictures at Christie's sale yesterday were rather humble, but the prices achieved were extraordinarily high. For example, an English painting of about 1800 of a wooded landscape sold for £1,785, against a £300-£500 forecast. Perhaps the buyers, the Sabin Gallery, know something about the origin since they bought a companion piece on the same subject for £1,365. In all the sale totalled £45,595.

Sotheby's held a modest furniture sale with a top price of £1,900 for a Shiraz rug estimated at £200-£300 (similar items fetched equally high prices at Christie's on Thursday). It was bought by a Middle Eastern dealer. A set of seven George II mahogany chairs made £1,500 and nine George III mahogany chairs £1,500.

The really big prices were paid at Zürich, where Sotheby's held sales of jewellery and gold boxes. An Antwerp dealer gave £109,689 for a necklace of emeralds and diamonds mounted in platinum. It sounds a good price, but was below forecast. It was the same for other fancied lots, with the sluggish bidding particularly hitting diamonds and sapphires.

There were also some disappointments in the sale of gold boxes, but a Pierre François Drais gold and enamel snuff box, probably made in Paris about 1770, made £12,431, and Koopman bought a snuff box by Jacques Felix Vienot for £8,044. The sale totalled £154,101.

Christie's at South Kensington disposed of theatrical effects for £5,366, more than anticipated. A bust of David Garrick sold for £290 to the Theatre Museum, and a Derby model of the actor made £320. In Bournemouth Robson Lowe held a sale of postal history, with an envelope sent to London from Macao in 1879 fetching £1,050.

How to spend it by Lucia van der Post

Prints and reprints

Ashley Ashwood

Claes Oldenburg working on his new print, The Tongue, for the Petersburg Press

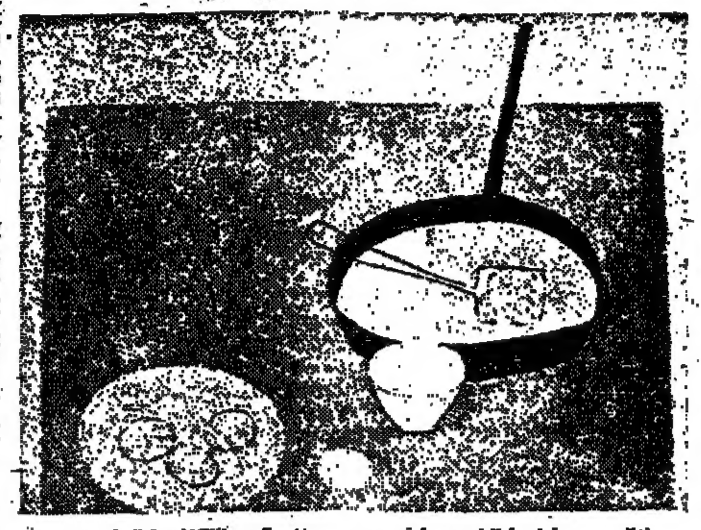
● We've all heard of that legendary character who knew nothing about art but knew what he liked. He's usually much scoffed at but I think he had a point. After all, there's not much point in buying what the critics recommend if it doesn't actually give you any pleasure. If a photographic print of the Mona Lisa is what gives you pleasure then stick it up on the walls and critics be damned. The point, however, that is important is that the buyer should be aware that it is a photographic print and nothing more and that he isn't bamboozled into paying more than it is worth, or into thinking it is an "original" work of art.

The magazine Value Today, now unfortunately no longer publishing, did an excellent job in January of this year, in exposing some of the more unscrupulous of the purveyors of "original" prints, showing that for about £50 you could easily buy an original work of art, of some intrinsic artistic merit or a photographic reprint and it wouldn't always be easy for the amateur buyer to tell the difference between the two.

Original prints differ from photographic reprints in that the connection between the artist and the finished product is close and intense—after all, Leonardo da Vinci had never seen a camera, let alone produced a work of art for that medium so his relationship to the photographic reprint of the Mona Lisa is very tenuous. But an artist who pits his particular creative intelligence against the medium of lithography, intaglio, etching, wood printing or screenprinting, creates something original specifically designed to suit the medium.

There are those who are inclined to scoff at the idea of limited editions, seeing in them a means of artificially creating scarcity and thus putting up the prices. However, this is not the case—many prints have to go through several printing processes before the finished one is produced and publishers must make sure that the edition is stopped before any deterioration of the plates takes place.

For those who are interested in buying original works of art prices have risen very considerably over the last few years. For instance, Paul Cornwell-Jones who runs Petersburg Press, generally acknowledged to be one of the finest publishers of original works of art, was able to offer the Rake's Progress by David Hockney for £250 when it was first published in 1962 *whereas now it changes hands* for between £8,000 and £9,000. (Though, that particular piece of news is only bad for those of us who didn't buy Hockney in 1962.)



"Still Life" by William Scott, a screenprint published in an edition of 250 by Christie's Contemporary Art. £40.

Clearly, original prints can be an investment but almost everybody I spoke to warned against buying them solely as an investment. As Value Today put it: "Unless you are an expert and know the market values, there are simply too many pitfalls and you could just end up with what amounts to very expensive wallpaper." Just as all oil paintings are original works not all can be described as great art and the ability to recognise the vitality, the genius that goes to turn something that is technically an original work into a work of art is not something we all possess.

For those who are looking for original prints of high value the name of those published by the Petersburg Press is one to remember. Paul Cornwell-Jones *regards the publishing of artists'* work as a service industry and in order to maintain consistently high standards has provided artists both here and in America with studios in which they can explore the techniques of lithography and etching.

Seeing Claes Oldenburg at work last week on his latest print, The Tongue, left me in no doubt as to the difference between the sort of photographic print that most stationers sell and an original work of art. After some four weeks here he was still intimately involved with every stage of the printing process, still refining, improving, changing.

Because of the painstaking trouble that is taken and the time involved and because Petersburg Press only works with artists of the highest quality their prices tend to be on the high side—they publish the works of Hockney, Kitaj, Oldenburg, Jim Dine and prices range between £250 and £1,500.

More of a volume business is that provided by Christie's Contemporary Art of 11, Albemarle Street, London W.1. Their prints on the whole are more decorative, less powerful, and because it is more of a volume business prices are lower, ranging from £25 to £50 or £100. *Christie's are* trying to educate the public at large on the subject of the techniques involved in producing original prints and at the Design Centre, 28, Haymarket, London, S.W.1: at the moment (until next Saturday) there is an etching press where artists will be demonstrating how it's used as well as pictorial displays of the other techniques.

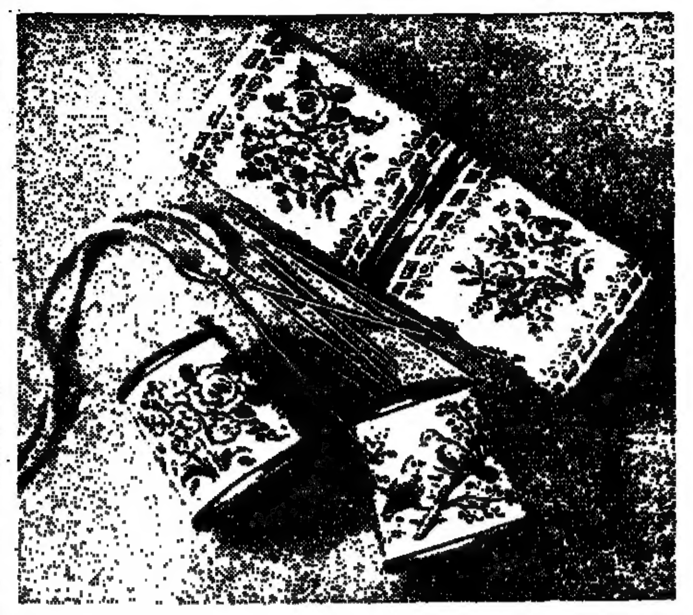
Some Galleries to visit are:

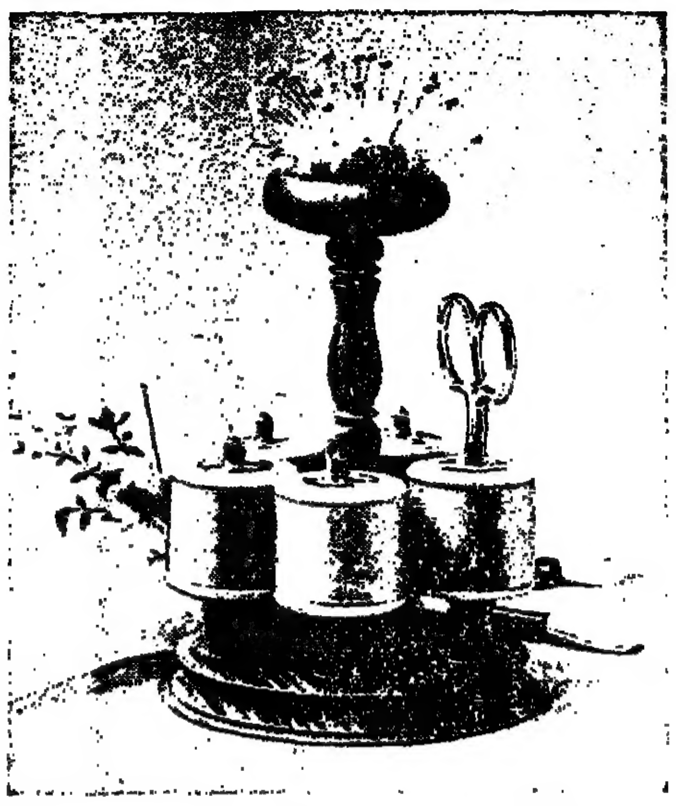
Zella 9, 2, Park Walk, Fulham Road, London, S.W.10; Waddington Galleries, 31, Cork Street, London, W.1; Editions Alecto, 27, Kelso Place, London, W.8; The Curwen Gallery, 1, Colville Place, London, W.1.

Out of London:

The Arnolfini Gallery, Narrow Quay, Bristol 1; Richard Demarco Gallery, 61, High Street, Edinburgh, EH1 1FR.

Charm by post





● Last year I wrote about the beautiful hand-turned wooden eggs produced by Robin and Mary Ellis. They were apparently such a success, so many readers delighting in the variety of texture and colour provided by the different woods and the exquisite finish produced by the Ellis turning, that this year the Ellis's have decided to offer an *equally beautifully turned and* finished sycamore bowl in which to display the eggs.

The dish itself is wide and shallow with a very gentle curve leading to a slightly curled-over lip, the idea being that it forms a base for the eggs rather in the way that a lily leaf does for the water-lily.

The dish can be made in three sizes of which the smallest is *8½ inches in diameter and would* hold about 15 eggs. This size of dish is £4.32. A larger dish, 12 inches in diameter holds some 24 eggs and costs £7.56 *while the largest size of all* measures 16 inches in diameter and holds between three and four dozen eggs and sells for £15.12. In our photograph, above, there is a picture of the 12 inch diameter size and it *shows just how well it has been* designed to display the eggs.

For those readers who haven't caught up on the Ellis eggs—they are all exquisitely turned and *polished and come in a range of* woods, all of which have a lovely natural grain which is exploited to maximum visual advantage. The less rare woods, like beech, pine, walnut, mahogany, ash Iroko, Afromosia and so on, are £1.35 each, while the rare woods like Macassa and Indian Ebony, Brazilian and Indian Rosewood, South American Tulip Wood and Para King are £2.70 each.

For a complete list of all the things they sell by mail order write to Robin and Mary Ellis, Rumwood, Horseheath, Cambridge CB1 6QX.

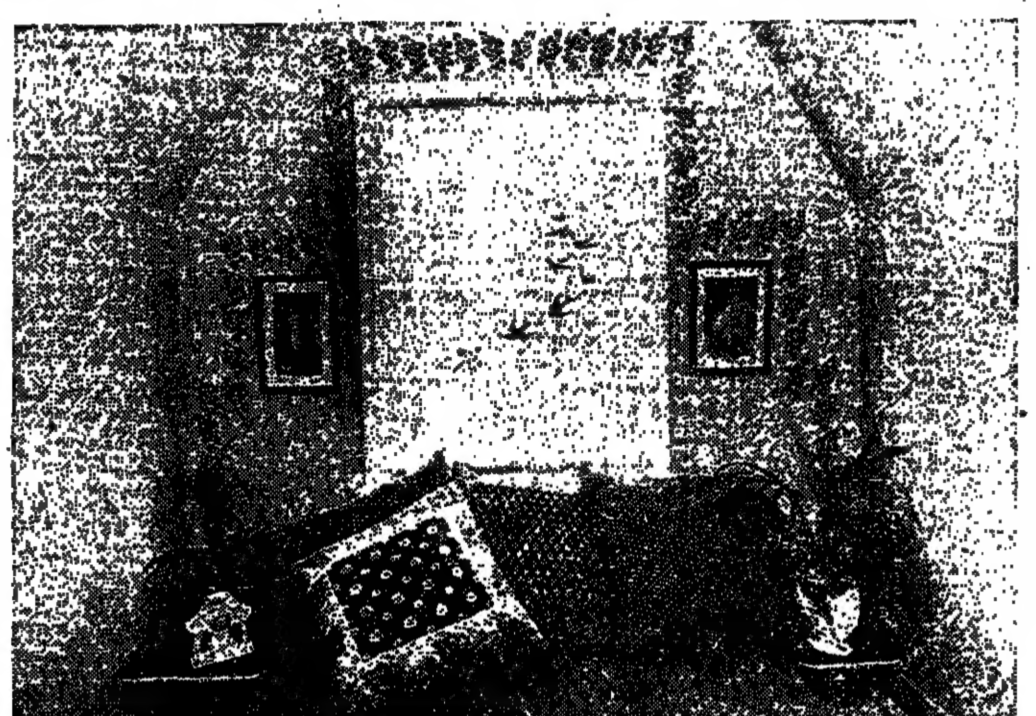
The display dish is available by mail for a postage and packing charge of 55p for the smallest size, 90p for the middle size and £1.15 for the largest size.

Regular readers of this page will certainly know of Halcyon Days, a small jewel of a shop at 14, Brook Street, London, W1Y 1AA. They are most famous of all for their Bilston enamels, an old art which Mrs. Benjamin, who runs Halcyon Days, was primarily responsible for reviving. However, Mrs. Benjamin has a keen eye for all the little enchanting things that go to add character to a home and that most of us find irresistible.

She commissioned Robin and Mary Ellis to produce exclusively for her this hand-turned replica of an early 19th century wooden needlework stand. Ever alive to changing social habits, she sensed the current mood for sewing and the crafts some time ago and realised that there would therefore be a demand for sewing accessories. The stand is 7 inches high, holds a pin-cushion, five reels of cotton and some scissors. It costs £18.50 (p+p 45p), direct from Halcyon Days.

Also for the sewer is the needle case and medium-sized thimble which are so beautiful that even the laziest of sewers would be encouraged to get started. They are of Bilston enamel on copper and are hand-coloured with delicate birds or flowers and gold-plated mounts. The needle case is £8.90 (30p) and the thimble is £5.80 (25p p+p).

For those who like the things that Halcyon Days sells but cannot visit the shop there is a small, full-colour catalogue that shows a selection of the goodies—from the famous Bilston enamels to Val Bennett's hand-painted miniature ducks, from the elegant ceramic vases, candle-holders, sweet and cigarette-holders to real leather telephone *directory covers. However, if* you can get to the shop do—the selection of presents on offer is much larger and more individual than the booklet can show.



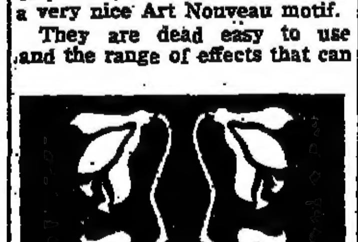
● A nice, simple, inexpensive idea for those who like doing up their *own* houses, painting their own walls and generally adding *their own touch at home, is the* range of stencils brought out by Packerson Design.

The idea is that instead of having to apply either a flat *paint colour or a ready-prepared* wallpaper with all the overtones of uniformity that these imply, you can produce an individual combination of the two by using first a flat paint or wallpaper and then applying these stencils in either a random or an ordered way, depending on your personal choice.

The range of stencils, for use on walls, doors, ceilings, furniture, head-boards, baths, blinds or whatever, has been designed by Packerson Design of P.O. Box 191, London SW10.

The range consists of a collection of designs—some flying birds, as seen on the blind in this photograph, roses (used in the picture to frame the window and the pictures), daisies, butterflies, fleur de lys, grapes, elephants, a Victorian border and a very nice Art Nouveau motif.

They are dead easy to use and the range of effects that can



be achieved is quite large. You can get a nice stippled effect with a brush or a much flatter, more uniform, effect with a can of aerosol paint. Bits of the design can be masked off—for instance if you just want to use the daisy head as a motif, you could mask off the stem and use the head to form the patterns.

Any form of paint, whether spray emulsion or gloss could be used on the walls and on the blinds, though it has been suggested that Dylon cold dyes could also be used on fabrics.

The stencils are amazingly reasonable and can be seen and bought from Paperchase, 216, Tottenham Court Road, London, W.1, or 167, Fulham Road, London, S.W.3. The flying birds, Victorian border and carnation are 50p, all the others are 75p.

For those who aren't near *London they can also be bought* by mail order in which case flying bird, Victorian border and carnation cost £1.15 (inclusive of p+p) and all the others are 95p (again, inclusive of p+p). Write direct to Packerson Design at the address above.

CHESS BY LEONARD BARDEN

ALEKHINE'S DEFENCE 1 P-K4, N-KB3 was popularised by the former world champion in the early 1920s during the heyday of avant-garde "hypermodern" ideas. Black's strategy is to *provoke the advance of the white* centre pawns in the hope they will become over-extended and vulnerable to counter-attack; while White aims to consolidate his space control.

The Alekhine has become *distinctly popular at all levels* of chess in recent years; it was Bobby Fischer's second string defence after the Sicilian in the Spassky match and is also often played by Korchnoi and Larsen, two very successful grandmasters and world title contenders. But it still demands a special kind of temperament; Black has to have the patience to sit on the defen*sive for long spells while being* ready to spring into instant counter-attack against white pawn weaknesses.

Because the Alekhine *is a* well-analysed opening where thrust and parry occur in a logical progression, it is a favourite field for prepared surprises. This week's game, played in the Hoogovens international at Wijk aan Zee, Holland, earlier this year, shows one of the most promising approaches for White, who relies on a combination of space advantage and queen's side pressure to defeat Black's pair of bishops.

White: M. Dvoretsky (Soviet Union). *Black: W. Martz (United* States). Opening: Alekhine's Defence (Wijk aan Zee, 1975).

The opening moves were 1 P-K4, N-KB3; 2 P-K5, N-Q4; 3 P-Q4, P-Q3; 4 P-QB4, N-N3; 5 PxP, BPxP; 6 N-QB3, P-KN3; 7 P-KR3.

A difficult choice; 7 N-B3 allows 7 ... B-N5 but also gives White the chance to play a later P-KR3 acquiring a bishop pair. The text preserves the king's knight which can be useful later on (see the note to White's final move!).

7 ... B-N2; 8 N-B3, 0-0; 9 B-K2, N-B3; 10 0-0, B-B4.

Inferior is 10 .. P-Q4; 11 P-B5, N-B5; 12 P-QN3 when Black's knights are chased around too much.

11 B-K3, P-Q4; 12 P-B5, N-B5; 13 BxN, PxB; 14 Q-R4, B-Q6; 15 KR-Q1, Q-R4.

The bible of Alekhine players, Alekhine's Defence by Eales and *Williams in the Batsford opening series*, recommends this as "Black's safest continuation" in preference to the obvious 15 ... P-K4 (when 16 P-Q5, N-Q5; 17 N-K1! is strong) or the double-edged 15 .. P-B4. The most natural move of all, 15 ... NxP; fails to 16 NxN, BxN; 17 RxB! winning two pieces for a rook.

16 QxQ, NxQ; 17 N-K1, B-B4; 18 P-Q5!

A novelty, no doubt a prepared surprise for this Russian-American clash. Eales and Williams only give 18 N-Q5, N-B3 when Black has sufficient counterplay against the weak QP.

18 ... P-R4; 19 QR-B1.

Stronger still is 19 P-B3, intending to answer 19 ... P-R5 by 20 P-B4, followed by N-B3 and B-B2. After the text, Black misses his last good chance for active play — 19 ... P-QN4!

19 ... QR-B1; 20 P-B3, KR-Q1; 21 P-KN4, PxP; 22 RPxP, B-Q2; 23 K-B2, B-K1; 24 P-B4, P-K3; 25 N-B3, PxP; 26 NxP, B-R5?

26 ... N-B3 or 26 ... K-B1 would keep the game going, though White has the advantage; but now White wins by force.

27 P-N3! PxP; 28 N-K7 ch, K-B1; 29 NxR, RxR; 30 RxR, PxP; 31 R-Q8 ch, B-K1; 32 P-B6! P-R8(Q); 33 P-B7, Resigns.

The *double threat of 34 N-Q6* and 34 B-B5 ch wins, but a cleaner finish was 33 B-B5 ch, K-N1; 34 N-K7 ch, K-R2; 35 N-N5 ch (see the note to White's 7th!), K-R3; 36 N-N8 mate.

POSITION No. 87

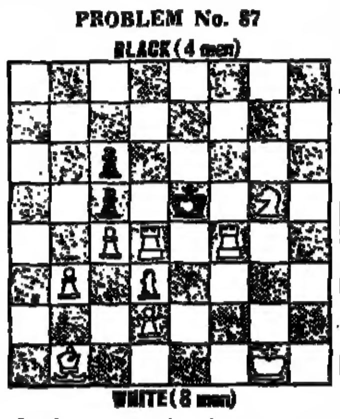
BLACK (11men)

WHITE (11men)

Uhlmann v. Hennings, East German championship 1968. Grandmaster Uhlmann saw the chance to win the black queen by 1 RxP, QxR; 2 BxP ch, decided it would be too expensive in white pieces, so chose the careful 1 B-B3. Puzzle—what did the grandmaster miss?

PROBLEM No. 87

BLACK (4 men)



WHITE (8 men)

White mates in three moves, against any defence (by T. Schaad).

Solutions Page 4

Property and housing

Retiring to the West

BY JUNE FIELD

A LEGEND of good living has grown up over the years about Torquay, the grandly sited seaside resort in Devon. In 1790 it was a fishing village frequented only by the select few; then the Napoleonic *Wars brought* the British fleet to anchor in the bay, and the families of the officers *found lodgings in the* houses clustered round the quay. Napoleon, a prisoner in the Bellerophon in 1815, is reported to have thought it *beau*.

From 1834-41 Elizabeth Barrett *Browning came to the town for* her health, and by the 1850s Torquay was established as the Queen of Watering Places. To quote Derek Parker in *The West Country*: ". . . off-season, there seems very little distance between the quiet days of the 1880s, when consumptives coughed discreetly in the shelters along the front, and the hotels and boarding houses were full of the less robust. . ."

While the bay is still remarkable for the grandeur of its spread of water and richness of *surrounding sub-tropical vegetation*, time has now caught up with Torquay with the modernisation of its shopping areas (much of it rather brash and ungainly), and there is a Marine Spa, a pleasure complex, being built in the harbour. Well under way when I saw it the other week, it blends in well with other contemporary construction.

Tranquil

Although I cannot agree with the claim in a current guide, *West Country and Southern Counties*, that Torquay is Devon's nearest thing to Cannes (having recently returned from a visit there, too) there is still a pleasing air of tranquillity and repose around even during the busy holiday time; and certainly if you want a taste of Riviera luxury without crossing the Channel, then the just completed Imperial Court Flats, an extension of the famous five-star hotel, will provide it.

In my moments of discontent, I have often thought how agreeable it would be to reside in a pleasant watering-place where the basics of gracious, trouble-free living would be practically on tap. At Imperial Court you can have it all by merely lifting a telephone receiver; because in addition to your regular outside line, there is an internal one to the hotel porter.

Not feeling too well? Someone will call the doctor. Can't get out to do the shopping? Essential provisions can be organised. Not strong enough to prepare a meal? A trolley of goodies will appear like magic, wheeled along the hotel passages which lead into the apartment block. Someone to help with the housework? There is maid service available for 1½ hours daily. Want *to have a party to celebrate your* recovery? Those ever-present, but unseen minions will press your party-gear, and you can borrow some of the waiters from the hotel to help out with the chores. Going away? There is security surveillance available.

Apartments

Just what is all this going to cost you? Not as much as one might think, by to-day's standards. The apartments themselves cost £28,500 and £36,000 on a 51-year lease according to size. They all face the sea and palm trees, have a good-sized sun terrace, two bedrooms, two bathrooms, kitchen, and in the end units an extra room which *can be a dining-room or third* bedroom.

The outgoings include an initial annual rent of £400 or £500, which covers the facilities provided by the hotel, but not *the maid service, which is an* optional extra at an estimated £360 a year. The service charge, which is roughly 5 *per cent.* of the total, is for a proportion of the operational costs of the building, such as central heating, hot water, insurance, maintenance and porterage; included in the rent, of course, are the delights of five acres of garden, indoor and outdoor swimming pools, tennis and squash courts, sauna, relaxation centre and mini-golf. If you don't want the bother of furnishing an apartment, it will cost you an extra £4,000 for one fully equipped down to the last teaspoon.

There are 21 apartments, with around half-a-dozen still on offer: many were sold while the building was under construction. As part of a "try-before-you-buy" scheme, serious inquirers will be offered a special low-cost stay at one of the *furnished flats*. Brochure from Michael Chapman or Kate Kelly, Imperial Hotel, Torquay.

For those who prefer "straight" apartment-living, with lower outgoings, Prowting Estates have an interesting new block, Teneriffe, in Torquay, where a show flat was opened in June. Decorating costs are minimal as the block is red brick, and there *are aluminium* windows; this only leaves the balcony railings and garage *doors for* painting.

To get sales under way, the sea-view accommodation of three *bedrooms* and two bathrooms, originally advertised at £25,000 upwards, is now being offered from £19,950. At the show flat they told me that the price reduction has really got things moving, and there are now 14 of the 28 flats reserved. Strangely enough, an incentive offer made last summer, of four years' allowance on the outgoings, worth £2,000, did not bring in the serious buyers. *Details from* Eileen Miller, Teneriffe Show Flat, Middle Warberry Road, Torquay.

Poole Marina

If you want to be nearer London, then back along the coast into Dorset, around what used to be smugglers' *territory*, is the particularly attractive Poole Marina. The drop in the *property market* has caught them too, for some apartments in phase one of the Salterns Point *project* overlooking the marina, initially offered at £60,000 plus, are now on the market nearer the £40,000 mark. "We think it better to be realistic and for people to make us a sensible offer we cannot refuse," admits Roger Grigg, managing director of the subsidiary handling the project.

Each purchaser will be offered a berth in the Poole Harbour Yacht Club Marina, and membership of the club. The apartments have large balconies, picture windows with double glazing, three bedrooms and fully fitted kitchens which include self-cleaning oven, dishwasher and washing machine. Brochure from Fraternal Developments, Lee House, 361-369, Wallisdown Road, Poole.

Villas on Oasis de Nazaret, Lanzarote, in the Canary Islands. Built to order, with an occasional re-sale, they cost from £13,000 upwards, according to size. Inquiries, Sam Benady, *Oasis de Nazaret, Radnor House, 93-97,* Regent Street, London, W.1. (Photograph: Trevor Kenyon.)

Lanzarote life style

IN THE overseas property field, agents and developers are busy wooing the virtually untapped retirement market with its *£20,000* premium-free allowance. But remember, you only get it if you emigrate; there is a mistaken view around that as long as you have reached the "official" retiring age (60 for a woman, 65 for a man), you automatically qualify for the dispensation. So again, a try-before-you-buy operation is even more essential with such a major commitment.

Where can you go that is somewhere different, has an equable climate, and where there will be something left over from the settling-in allowance once the initial expenditure on bricks and mortar has been made? Political considerations have to be taken into account of course, but where in the world don't they?

You could try Lanzarote, fourth largest of the Canary Islands, politically Spanish, but geographically African. With its climate of perpetual spring, and some cost-of-living advantages, it has much to recommend it.

But it is not everyone's choice. While the brochure-style superlatives of exotic scenery, adventurous and ever-changing, plus miles of golden sandy beaches are perfectly true, a vast amount of the main landscape is nothing *more or less than charred* volcanic cinder, of astonishing size and acreage.

It is the atmosphere of the place that is so inexplicably rewarding. On my last visit I was there for only four days, yet in *that short time I was absorbed* into the life of Nazaret, a minuscule hamlet consisting of a shop, a couple of farmhouses and the village school. I stayed at *Oasis de Nazaret*, a villa development built on seven hills previously owned by the local farmer, Santiago. Here the terrain is smooth and velvety, covered with sooty black *picon* (crushed lava), which is spread over the soil to retain precious moisture, because water is scarce.

There is nothing very special about the Moorish-type dwellings; they are squat with flat roofs, terraces and the occasional dome. But in a strange way the *whole* complex has immense style. Some of the décor is distinctly incongruous—Victorian gothic furniture imported from the lesser known *antique shops* of Britain is mixed with the equally sombre dark wood of traditional Spanish pieces. Yet the whole effect is of enormous *élan*.

The master-mind behind it all *is Gibraltar-born* Sam Benady, who spends a great deal of his time commuting between his home in Nazaret and a London office. One has to admit that as well as building houses he has created a new living environment in what was a wilderness, bringing in trees and plants to fill an exotic grotto-garden, carved out of the rock.

Grotto

Each house has its own front garden, but this half-hidden grotto is for the enjoyment of all the residents. Tucked away in the cave-like formations are loudspeakers, and Beethoven's *Eroica* in quadrophonic sound erupting among tropical foliage on a remote volcanic island is an experience to cherish.

The villas cost from about *£13,000 according to the rate of* exchange, *plus about £2,000* for the furnishings if you want them. If you want to vary the decor, you just go along to Benady's vast furniture store where you will find everything from a deep-buttoned Chesterfield (immaculately re-upholstered by local workers) to a Victorian harmonium which can still be played.

There is a strong personal element in this whole project, and you can really only decide if it is for you by going along and *judging for yourself*. A couple who did, and who certainly looked very happy about it all, were a retired bank manager and his wife from Cheshire. I saw them just settling in after bringing over their car and personal belongings on the Fred Olsen Line ship which sails from Millwall Docks, London.

Holidays

Flights for owners are from £65 for a fortnight through Travel Places, 154, Cromwell Road, London, S.W.7. They run Lanzarote Holidays now, with *direct flights from Gatwick every* Thursday. If you fancy spending Christmas on Lanzarote, they have organised a special flight from *Luton on Wednesday*, December 24, returning January 7. There is a hot turkey lunch with free wine on the flight out, and the cost, which includes a fortnight's stay at one of the villas (but not food), is £140 *per person*.

To get a proper impression of the whole of the island you will need transport, and something more than a camel, the traditional beast of burden over there. It is best to get Travel Places to book a car ahead, which you can pick up at Arrecife Airport on arrival, and Nazaret is only four miles away. *Car hire costs from £36 a week*, which includes full comprehensive insurance, unlimited mileage and bail bond.

For property details contact Sam Benady, Oasis de Nazaret, Radnor House, 93-97, Regent *Street, London, W.1.*

STAMPS BY JAMES MACKAY

ONE OF THE major collecting themes of the post-war years has been the philately of the United Nations. The reality of the United Nations Organisation may have slipped from the lofty idealism of 1945, but the image of international harmony is still projected faithfully in its stamps and, to a lesser extent, in the issues of other countries in its support. From a practical viewpoint, however, it is one of the soundest branches of modern philately, largely on account of its cosmopolitan appeal.

The founding document of the United Nations was signed on June 28, 1945, in San Francisco and it is the anniversary of this event, rather than United Nations Day itself (October 24), that the Organisation's postal *services have celebrated this* year.

Two stamps and a miniature *sheet were released* in the New York and Geneva headquarters of the UN on June 26, inscribed respectively in English and French, and with values expressed in American cents and Swiss centimes.

In accordance with UN tradition, the design and production of these stamps was an international effort. The basic design of the stamps—stylised figures created from the Roman *numerals for thirty*—was the work of the Israeli artist, A. Kalderon, but Olav Mathiesen of Denmark provided the artwork for the miniature sheets. Both stamps and sheets were printed by the Canadian firm of Ashton-Potter using multicolour offset-lithography.

A greetings card marking the 30th anniversary of United Nations Day was designed by F. Viequery of Aosta and published by the Geneva headquarters. A pictorial handstamp, incorporating a wreath of olive branches, was used in Geneva on October 24.

No special stamps were issued on that occasion, but a new series is scheduled for November 21 dedicated to the peace-keeping operations of UN forces. Stamps in denominations of 13 and 26 cents will be released in New York, while similar stamps, with *values of 60 and 70 Swiss centimes*, will be issued in Geneva.

On this occasion both design and production have been commissioned from the same country. Mrs. E. Oivo of Finland produced the design, showing a *wild rose sprouting from a strand* of barbed wire, and Suomen Pankin Setelipaino of Helsinki recess-printed the stamps. Jean-Pierre Meuer of Geneva designed the pictorial postmark, showing a flower growing from the muzzle of a rifle whose barrel has been tied in a knot.

Philatelic commemoration of the UN anniversary has been largely confined to countries of the Third World. Costa Rica's trio, offset-lithographed by Lehmann of San José, features the UN emblem, the interior of the Conference Room and an exterior view of the Headquarters Building in New York. *Two Arab countries have issued* stamps for the 30th anniversary. Qatar released a set of six stamps on October 12, with symbolic motifs in multicolour lithography by Harrison and Sons. Kuwait's 20 and 45 fils stamps, depicting the UN flag, a rifle and an olive branch, were produced by the same process under the auspices of Mezhdunarodnaja Kniga of Moscow.

The most significant contribution to the anniversary celebrations has come from Portugal, a country which did not become a member of the United Nations till 1955 and thereafter was frequently *at odds* with the Organisation over the issue of de-colonisation. The release of stamps honouring the UN is regarded by Portugal as a gesture of good intent by the present administration. The three Portuguese stamps were designed by Luis de Abreu, who won first prize in a national competition with his stylised human figures, obviously inspired by Dürer's "Proportions of Man," which was itself used for some UN stamps publicising World Health Day in 1972.

Though commemoration of the UN anniversary has been scant compared with previous years, the Organisation can derive some consolation from the fact that its various campaigns provide a rich field for the stamps issued in many countries this year.

Some months ago I mentioned the issues marking International Women's Year, and as this particular campaign, sponsored by the UN, draws to its close, there has been a spate of last-minute *releases*, ranging from the Cypriot stamp depicting a Neolithic steatite idol of an earth mother to Lesotho's portrait of Paramount Chieftainess Mantsebo and the set of eight from the Seychelles portraying famous women from Elizabeth I to Amy Johnson and Eleanor Roosevelt.

The Gambia, Singapore and Swaziland will be releasing *stamps* for this purpose next month—shortly before International Women's Year officially closes.

The widespread popularity of this subject owes much to its relative lack of controversy. *With the other current UN theme* —independence for Namibia (South West Africa)—philatelic coverage has been less enthusiastic. August 26 was declared Namibia Day by the UN Council for Namibia and on that day Turkey issued a 250k. stamp with a 50k. premium in aid of charity. The stamp shows a map of Africa with Namibia outlined.

On the same day Guyana released four stamps depicting the Freedom monument in Georgetown which was unveiled on Namibia Day, 1974. For the same event Zambia has issued four stamps featuring a map of Namibia in various colours. The UN post offices in New York and Geneva issued four stamps on September 22, with a symbolic forearm over the map of Africa and the text "Namibia—United Nations Direct Responsibility."

HOME NEWS

Parliament Act to be used if peers' stand continues

BY JOHN BOURNE, LOBBY EDITOR

IT appears to be almost certain that the Government will invoke the 1949 Parliament Act if on Tuesday the Conservative and cross-bench Peers resist its increasing pressure to withdraw their amendments giving legal backing to the proposed Press Charter in the Trade Union and Labour Relations (Amendment) Bill.

The view of the Cabinet's legislation committee, it is understood, is to use the Act for the first time since the Lords-Commons confrontation over steel nationalisation in 1949 to ensure that the Bill goes on to the Statute Book by next autumn at the latest.

Ministers are still hoping, however, that the legislation could be enacted earlier next year provided that the Lords withdraws its objections at the start of the next Parliamentary session, which begins on November 19.

The Government's other option is to accept the Lords amendments and then introduce a short Bill deleting them early in the session, but this seems to have little support now in the Cabinet. It is opposed, in particular, by Mr. Michael Foot, the Employment Secretary.

During Tuesday's Lords debate, Lord Shepherd, the Leader of the House, is expected to make clear that the Parliament Act, which leaves the Lords with powers to delay Commons legislation only for up to a full session, would be invoked unless the peers changed their minds on their amendments.

He will almost certainly argue that upholding the amendments would be bound to sour the traditionally harmonious relations between the Lords and the Commons.

Other Home News on Page 17

The Government's argument is also that by re-introducing the Bill next session under the 1949 Act, the Lords' relations with the trade unions would be jeopardised. It would be then virtually impossible for the National Union of Journalists and the Newspaper Proprietors to negotiate a voluntary Press charter.

This would leave it to Mr. Foot to draft his own charter, which would be an abroagtion for the principles of a "free Press" which the Opposition Peers are championing.

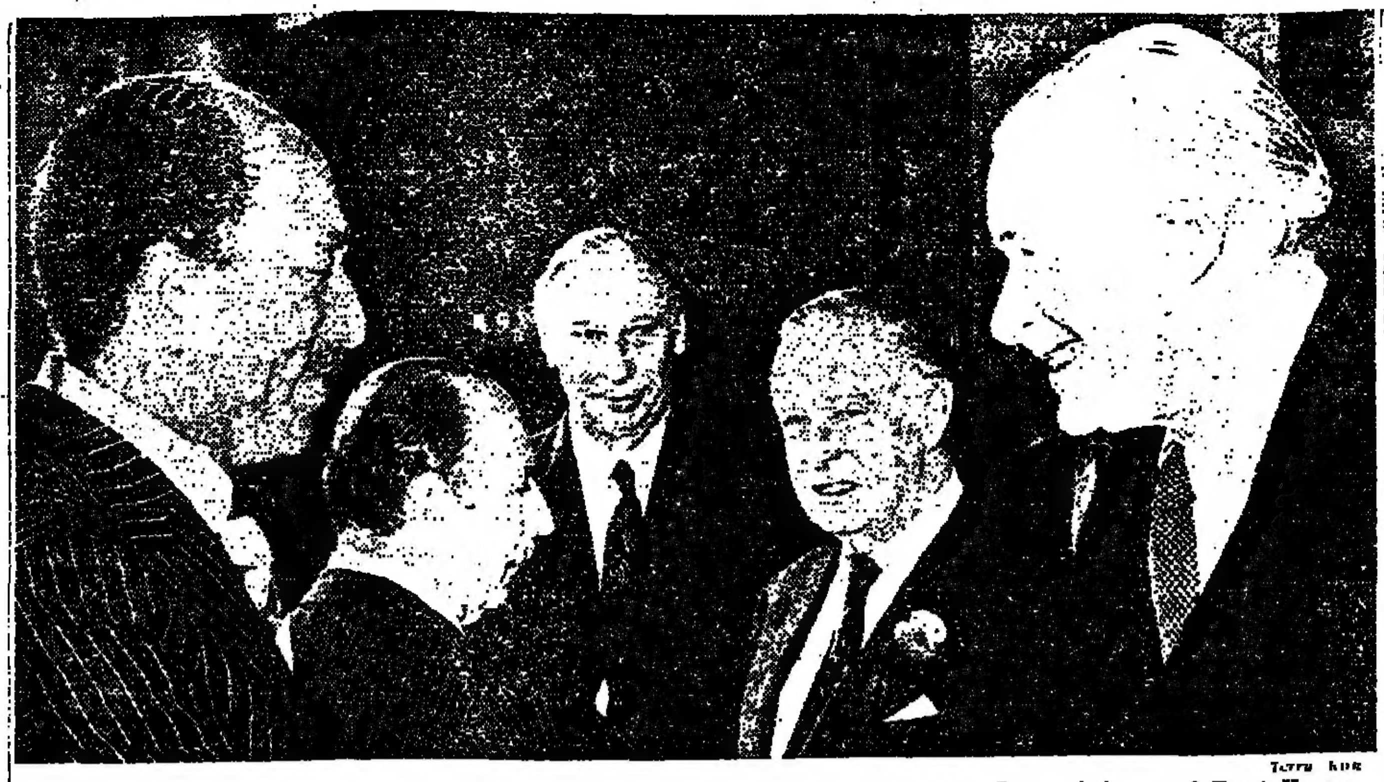
The peers' aggressive attitude, say senior Ministers, may be a spillover from the general unhappiness and uncertainty in the Conservative Party in the Commons over its leadership problems.

The Government, however, is particularly anxious to avoid a clash between the two Houses and, in any event, despite the clamour of Left-wing MPs, has neither the Parliamentary time nor the strength to introduce legislation in the present Parliament for Lords reform.

Meanwhile, Mrs. Margaret Thatcher, the Conservative leader, yesterday said that Britain could end up "no better" than countries behind the Iron Curtain if the Lords' proposals were not made law.

She said in Norwich: "If this country is to remain free, our Press must be free—and that means our editors and our journalists must have the protection that the Lords have proposed."

Otherwise Britain would one day be no better than Czechoslovakia where one union con trolled all communications "and even insists that every member signs an undertaking that he approves of the Soviet invasion."



Terry Kirk

President Sadat of Egypt, at Claridges Hotel, London, meets (from left): Sir Charles Forte, chairman of Trust Houses Forte; Sir Arnold Hall, chairman of Hawker-Siddeley; Sir Val Duncan, chairman of Rio Tinto-Zinc; and Lord Duncan-Sandys, chairman of Lonrho. Weapons talks, Page 11.

Lloyds may run Brandts small client investments

By Michael Blanden

LLOYDS BANK is holding talks which could lead to the takeover of the small client investment management department of Brandts, the troubled merchant banking subsidiary of Grindlays in which Lloyds has a substantial shareholding.

The move is regarded by Grindlays as a tidying-up operation to deal with a section of its merchant banking business which is thought to be too small to be viable on its own

Grindlays is also expected shortly to announce further details of the arrangements to pump more than £30m. of new capital into the bank. This follows the heavy provisions of £19m. made by Brandts against its property loans which together with other provisions have put the parent Grindlays into loss and hit its capital base.

New funds

Details, which could be published towards the end of next week, should include the terms on which First National City Bank of New York is to increase its equity stake in Grindlays Bank from 40 to 49 per cent

The U.S. bank, it has already been announced, is to subscribe for 2.37m. new shares, and the arrangement could provide some £5m. of new capital.

Details are also awaited of the medium-term loan arrangements being made by Lloyds Bank—which is a substantial shareholder in the ultimate parent company Grindlays Holdings—to provide about £27m. of new funds for Grindlays.

The proposal for Lloyds to take over the Brandts investment department affects only the client funds managed by Brandts. These amount to some £70m., a small amount by the standards of the bigger merchant bank management departments, and include unit trusts and private and institutional clients.

Former Heath man to aid Mrs. Thatcher

MR. ADAM BUTLER, a former supporter of Mr. Edward Heath, has been appointed as one of Mrs. Margaret Thatcher's Parliamentary Private Secretaries.

Mr. Butler, MP for Bosworth, is the son of Lord Butler, and a former junior whip when Mr. Heath was leader of the Conservative Party.

Mr. Heath's supporters regard the appointment as a gesture towards Mr. Heath, and hope that it may lead him to "swallow his pride" and bury his differences with Mrs. Thatcher, so that she can offer him a place on her front bench.

Mr. Butler replaces Mr. William Shelton, MP for Streatham, who was one of Mrs. Thatcher's campaign managers during the Tory leadership election.

Labour 'all words and no action' Howe says

BY JOHN BOURNE, LOBBY EDITOR

THE GOVERNMENT'S document, An Approach to Industrial Strategy, was dismissed last night as "all words and no performance," by Sir Geoffrey Howe, QC, the "shadow" Chancellor.

He said in Manchester: "The party that came to power last year proclaiming a new industrial policy of profit-bashing and public ownership is now in search of another strategy."

Sir Geoffrey welcomed this "conversion," but there were other lessons which Labour had to learn and act upon.

First, Mr. Healey, the Chancellor, should act immediately to bring booming public expenditure under control. Sir Geoffrey quoted the Government document's phrase about Britain's troubles being due to "pre-emption of resources by the public sector."

Second, the Government should abandon all its plans for further nationalisation. In support, he quoted from the document that the Government "intends that the public sector should exhibit the same qualities of vigour and profitability as the private sector."

The embargo on further nationalisation should continue until the Government had shown that its intention was realisable.

Finally, the Government must set about relaxing controls on profits and prices instead of threatening to do precisely the opposite.

U.K. expects 1975 surplus on EEC fund

By John Hunt

BRITAIN EXPECTS to finish this year with a small surplus on its payments to the EEC budget, Lord Jacques, a Government front bench Treasury spokesman, told the Lords yesterday.

But he cautioned that this was unlikely to be the case next year. Although it was far too early to make even a wild guess about 1976, he expected that there would be a net outflow of Community budget payments from Britain for that year.

His forecast came after the statement to the Commons on Thursday by Mr. Joel Barnett, Chief Secretary to the Treasury, that Britain ended the first eight months of this year with a surplus on its Community budget with payments at £212m. against receipts of £268m.

Garment industry given Requirements Board

BY RHYS DAVID

THE GOVERNMENT plans to improve the technological work of the garment and allied industries by creating a Requirements Board.

The Board's chairman will be Mr. Leslie Bamford, who recently retired from the Coats Patons Board. It will act as a link between the industry's research associations and the Department of Industry in allocation of funds for research.

The Department said yesterday that the Garments and Allied Industries Requirements Board would be concerned with research and development in textiles, textile products, clothing leather and footwear industries, and with the machinery and equipment used in their manufacture.

It would seek "to identify areas which would most benefit" from additional research and development, to promote technological innovation, and lead to improvements in productivity quality control and speed of reaction to fashion changes.

The move comes at a time of increased Government interest in the clothing industry, which is to receive £20m. under an Industry Act scheme aimed at increasing its productivity and rationalising its structure.

The Government is clearly anxious that these efforts should be accompanied by an improved system for channelling research funds to the industry.

It is the eighth Board to be set up to implement the customer-contractor relationship recommended in the White Paper Framework for Government Research and Development, published in 1972.

Steel bar dumping inquiry

By Roy Hodson

NOW that the U.K. steel industry has secured Government support for its view that their is a *prima facie* case to be investigated of Spanish steel being dumped in Britain, there is every likelihood that other cases of alleged dumping will be brought forward.

The British Steel Corporation and the private sector steel producers represented by the British Independent Steel Producers' Association are concerned about some steel imports from Sweden and Japan.

The two arms of the industry yesterday welcomed the decision by the Government that the alleged Spanish dumping of reinforcing bars into the British market should be investigated.

Equity set for showdown

BY MICHAEL THOMPSON-NOEL

THE MELODRAMAS at Equity, the actors' trade union, may be resolved to-morrow at a series of three meetings at the Coliseum, London, when those cast as moderates, led by actor Mr. Nigel Davenport, swap lines with those cast as extremists, led by Miss Vanessa Redgrave.

The meetings mark the climax of a bitter internal dispute at Equity over the union's rules and the right to call special general meetings.

Many Equity members believe that Miss Redgrave and her brother, Mr. Corin Redgrave, are attempting to steer Equity towards a militant Workers' Revolutionary Party line.

Mr. Davenport said yesterday that he hoped the meetings would not turn into slanging matches. "I would hope that both sides in this dispute are sufficiently serious about the affairs of our union to avoid heated wrangling."

Miss Redgrave's opponents want to stop the practice by which, they claim, militants—about 300-450 of the 23,000-strong *membership*—attempt to frustrate majority opinion by skilful use of union rules and by attending in force union meetings at which few others turn up.

Decisions are taken which can be reversed only later, at national level. On one occasion there was a referendum.

Mr. Peter Plouviez, general secretary, *said yesterday that* Equity could not go on in its present "vicious circle." To-morrow's meetings were the most important since the union was established 40 years ago.

Mr. Davenport, star of Oil Strike North, and Lord Olivier were among more than 100 actors who signed a manifesto reasserting that the union should be non-political and non-sectarian and that a full members' ballot must be taken *before constitutional* changes.

Decisive win

Lord Olivier will not be at the meetings, but Mr. Davenport said that he hoped the other signatories—who include Sir John Gielgud, Sir Ralph Richardson, Kenneth More, Claire Bloom, Ron Moody and Max Bygraves—would attend.

Many West End actors think *that the moderates have marshalled their forces effectively* for a decisive victory against the extremists. Asked what would happen in the event of a slanging match, Mr. Davenport said: "I should feel most unhappy if it got down to that level of behaviour. It would be such a pity.

"I *think we must try* to be calm about the issues that are between us. A calm approach is much more likely to lead to progress than an hysterical one."

Miss Redgrave said: "I and our supporters will be there on Sunday. I have never indulged in slanging. I think the whole membership of the union has been thinking about these proposals and knows what the issues are."

Mr. Corin Redgrave, in a statement on the front page of the latest issue of the theatrical newspaper The Stage, says: "All members must unite to defeat the council and the Davenport/Olivier proposals overwhelmingly

"The issue is clear. A small Right-wing clique wants to dominate the union and transform it into a company union completely powerless to defend jobs, wages and democratic rights from the attacks of employers and the State."

The Equity Council, the union's governing body, and Mr. Davenport wanted to vest all control in the hands of a "bureaucratic élite," he claimed, but the membership must control the union and its policies. It was not a question of whose politics were involved. "The future of the union is at stake."

Warm August helps beer sales record

By Kenneth Gooding

BEER SALES in August this year were the best for that month since statistics were first collected in their present form in 1929.

The brewers supplied 3,511,533 barrels in August—just over 1bn. pints—which was 2.44 per cent. more than the 3,427,970 barrels produced in August, 1974.

This again confirms that the weather is still the most important factor in beer sales. In spite of hefty price increases this year, the sunshine helped the brewers overcome sales resistance and put them well on the way to record production this year.

Customs and Excise figures show that in the first eight months of this year beer output was up 1.23 per cent. at 26,450,648 barrels, compared with the same period a year ago. And 1974 was a record year since 1929 with 38.5m. barrels produced.

The fine weather continued into the early part of November this year and the brewers should see a further boost in sales.

Collecting wisely

First Christmas card

BY JUNE FIELD

THE REV. Ebenezer Cobham Brewer (1810-97), wrote in his Dictionary of Phrase and Fable, 1870: "Christmas cards are of comparatively recent origin, the earliest having, it is said, been designed in 1844 by W. C. T. Dobson R.A., a painter of pretty works of that nature."

Since then John Calcott Horsley (1817-1903), has been generally accepted as the first festive card designer. In 1843 he produced a card for Sir Henry Cole (1808-1888), a civil servant, one of the organisers of the 1851 Exhibition. About 1,000 of these were published at Felix Summerley's Home Treasury Office, lithographed by Jobbins of Warwick Court, Holborn and sold for a shilling each.

Among other contenders for the idea of the first Christmas card were a vicar of Newcastle, the Rev. Edward Bradley, who is reported to have sent holiday greetings to his friends in 1844: while William M. Egley, son of a painter of miniatures, produced a card in 1842 or 1849, depending on the way the last figure in the date printed on it is deciphered.

With the advent of die-sinking and embossing, the firm of C. Goodall and Son began to manufacture Christmas cards in large quantities, and by 1870 when the halfpenny post was introduced for cards and unsealed envelopes, the custom of sending greetings cards was well established; and firms like Marcus Ward commissioned well-known artists such as Kate Greenaway, Walter Crane and Stacy Marks to design for them.

The British Museum has an Egley card, the Victoria and Albert various animated cards such as one where when you pull the branches of a Christmas tree the presents are revealed, and one of the Cole-Horsley cards comes up in *Phillips Ephemera Sale* at Blenheim Street, W.1. on Tuesday, December 2. The senders were Charles and Mary Pyne.

Phillips sold a "first Christmas card" on September 2 for £75—they are hoping the same dealer will go to £100 on this one. In both cases the cards originally emanated from private sources, the one from the last sale coming in through the trade who were reputed to be surprised at the price it made.

One of the first Christmas cards designed by J. C. Horsley in 1843 for Sir Henry Cole, comes up for auction at Phillips on Tuesday, December 2.

While warning against facsimiles, Phillips say they will be happy to examine any card on the off-chance that it might be the real thing. But before you rush in with all your old greetings cards, remember that there is still quite a bit of run-of-the-mill stuff around that is worth about the same as any ordinary Christmas card to-day.

For those who feel that if they are going to have to spend 8½p on postage they might as well send something that has a spot of panache, then I recommend some of the later Victorian cards that can still be bought from 10p upwards. At John Hall, 17, Harrington Road, London S.W.7, they have a tradition of not up-grading old prices, so it is still possible to go through their stock and find such delights as a pretty flowered card sent from Mabel to Mary, 1877, 10p, a Christmas rose postcard "with Carle's love to Miss Wilson, 1882," 15p, and an elegant *carte-de-visite* type wishing you the compliments of the season, 1878, 25p.

At Sebastian d'Orsai, 8, Kensington Mall, London, W.8, Victorian coloured paper scraps mounted on a black stiffener are a speciality, as well as traditional greeting cards. These scraps were litho-printed in large quantities in the late-19th century, mostly emanating from factories in Bavaria. Although their popularity declined about the time of the first world war, they are still used as a decoration for crackers. Packs of 8 cost from 30p.

If you enclose a stamp, D'Orsai's will send their general ephemera list, which includes an 1880 trade card of Logan Bros., Cheap Clothing Mart, Peckham, wishing their clients a Merry Christmas £1, a pocket calendar for 1899 from the Anglo-Bavarian Brewery £2, and a Victorian tin mould for making Chocolate Father Christmases, £15.

If ephemera is your line, then the new Ephemera Society opens its inaugural exhibition on Tuesday, until November 28, at the Wiggins Teape Paper Point Gallery, 63 Poland Street, London, W.1. They are anxious to recruit members (subscription £5 a year, £7 for trade), but will want to inspect your collection. And chairman Maurice Rickards insists: "We are looking for the true collector who acquires printed and hand-written ephemera (not the three-dimensional variety) because of its relevance to social history. We would not welcome anyone who only collects for investment."

Sir John Betjeman is the president, and one of the founder members, Calvin Otto, who will be exhibiting his collection of trade and visiting cards, is starting a U.S. section of the society at Benington, Vermont. More details from 10 Fitzroy Square, London, W.1.

Among the 1,000 transient oddments of everyday life being exhibited are a gold-rush miner's permit, an 1805 invasion warning, a Police Gazette from the 1860s and a cease-fire order from the trenches of World War I.

ENTERTAINMENT GUIDE

OPERA & BALLET

COLISEUM. (01-836 3161) ENGLISH NATIONAL OPERA Tonight and Fri. 6.30 War and Peace: Tue. 7.30 The Merry Widow; Wed. 7.30 La Boheme: Thur. 7.30 The Makropoulos Case.

COVENT GARDEN. 240 1066. THE ROYAL BALLET Today 2: Swan Lake. Tue. and Fri. 7.30: Manon. THE ROYAL OPERA Tonight 7.30: Il barbiere di Siviglia. *Mon. and Thur.* 7.30: Un ballo in maschera. Wed. 7: Carmen. Some seats available.

SADLER'S WELLS TH. Rosebery Ave., EC1. 837 1672 (Recorded booking inf. 278 5450). From Wed. until Dec. 13. LONDON CONTEMPORARY DANCE THEATRE

THEATRES

ADELPHI THEATRE. 01-836 7611. Evenings 7.30. Mat. Thurs., Sat. 3.00. JEAN SIMMONS ANGELA BADDELEY JOSS ACKLAND in A LITTLE NIGHT MUSIC "Music that ravishes the senses . . ." Seats available for Matinee today.

ALBERY. 836 3878. Last perf. today at 5 and 8.15. WENDY HILLER MICHAEL ALDRIDGE LIES! A new play by Trevor Baxter

ALDWYCH. 836 6404. (Royal Shakespeare Company) Recorded booking Info.: 836 5332. Evgs. 7.30. Mat. Wed., Sat. 2.30. Bernard Shaw's TOO TRUE TO BE GOOD "JUDI DENCH . . . is richly funny." Guardian. "IAN McKELLEN rises to supreme heights." Sunday Times. LIMITED SEASON—must end Nov. 29.

AMBASSADORS. 01-836 1171-3212. Evgs. 8.00. Sat. 5.30 & 8.30. Tues. 2.30. HAPPY AS A SANDBAG *New Hit Musical by Ken Lee.* "Delightful. Don't miss it." D. Exp.

ARTS THEATRE CLUB. 836 3334. Great Newport St. (adj. Leic. Sq. Underground). Instant temp. membership available 15p. Evgs. Tue.-Sun. at 8. ANNIE ROSS. MIRIAM MARGOYLES KENNEDY'S CHILDREN "A blockbuster." Clive Barnes, N.Y. Tms.

CAMBRIDGE THEATRE. 836 6056. Michael DENISON. Derek GRIFFITH THE BLACK MIKADO "THE BEST MUSICAL OF 1975." Sun. Times. Evgs. 8.00. Wed., Sat. 5.00. 8.15.

COMEDY. 930 2578. Evgs. 8.00. Sats. at 5.30 and 8.30. Matinees Thurs. 3.00. "The delectable HAYLEY MILLS." D.T. FRANCIS MATTHEWS. LEIGH LAWSON "Samuel Taylor's joyous comedy." E.N. A TOUCH OF SPRING "Effervescent direction by Allan Davis." "THE AUDIENCE were WEAK with LAUGHTER." Fin. Times. "THE FROLIC IS SUCH FUN." Evg. News.

CASINO. 437 6877. Opens Dec. 18. DANNY LA RUE In a new Family Xmas Show QUEEN DANIELLA

CRITERION. 930 3216. Evgs. 8.15. Mats. Thurs., Sat. 5.00. Season extended. Tom Stoppard's ROSENCRANTZ AND GUILDENSTERN ARE DEAD. "I strongly recommend it to anyone." Fin. Times.

DRURY LANE. 836 8108. *Evenings 7.30.* Matinees Wed. and Sat. 2.30. MICHAEL CRAWFORD in BILLY A NEW MUSICAL "MICHAEL CRAWFORD A WHOPPING WONDERFUL STAGE STAR." News of the World. "HE AND HIS SHOW ARE A TREAT." Sunday Express.

DUCHESS THEATRE. 836 8243. Evenings 8.00. Fri., Sat. 6.15 and 9.00. OH! CALCUTTA! NOW IN ITS 6th YEAR. "Breathtakingly Beautiful." S. Tel. "The Nudity is Stunning." D. Tel.

DUKE OF YORK'S. 836 5122. Evs. 8. Sats. 5 & 8. Mat. Thurs. 3. "PERFECT image of a veneered diplomat." Tms. "SMOOTH." E.N. "SUAVE." D. Exp. LESLIE PHILLIPS "Fine roly-poly comic ROY KINNEAR SPLENDID." D. Tel. ROGER'S LAST STAND "A play with many jokes." Times.

DUKE OF YORK'S. 01-836 5123. Richard Goolden. Ian Talbot in TOAD OF TOAD HALL Mats. Dec. 22 to Jan. 17. Book now.

FORTUNE. 836 2238. Mon. to Thurs. Evgs. 8.00. Fri. and Sats. 6.30 and 9.00 FROM AMERICA THE CHARLES PIERCE SHOW "IRREVERANT, OUTRAGEOUS and IRRESISTIBLE." Kretzmer. Daily Express. "DEVASTATINGLY FUNNY." D. Mirror. "FASTEN YOUR SEAT BELTS FOR A WILDLY BUMPY NIGHT." D. Mail.

GARRICK. 836 4601. Evenings 8.15. Mat. Wed. 3.0. Sat. 6.0 & 8.40. RICHARD BRIERS "Marvellous." Gdn. ABSENT FRIENDS "ALAN AYCKBOURN'S FINEST FUNNIEST PLAY." H. Hobson, S. Times.

GLOBE THEATRE. 437 1592. BEST PLAY OF THE YEAR Evening Standard Drama Award RONALD PICKUP in THE NORMAN CONQUESTS by ALAN AYCKBOURN LIVING TOGETHER Today 5.30. Tu. Th. 8.15. R'ND & R'ND THE GARDEN Tnt 8.30. Wed. 3.0. Fri. 8.15. TABLE MANNERS Mon. Wed. 8.15.

HAYMARKET. 930 9832. Evgs. 8. Sat. 5 and 8.15. Mats. Wed. 2.30. "HERBERT LOM TRIUMPHS." E. News. NIGEL STOCK in BETZI "William Douglas Home is one of the wittiest writers in the country . . . ENCHANTING ENTERTAINMENT." S. Tms.

GREENWICH. 858 7755. Evgs. 8.0. Mat. Sat. 2.30. Noel Coward's FALLEN ANGELS. Booking now for CAMELOT PIE XMAS SHOW. Dec. 26-Jan. 3.

KING'S ROAD THEATRE. 352 7488. Mon. to Th. 9.00. Fri., Sat. 7.30, 9.30. THE ROCKY HORROR SHOW "BEST MUSICAL OF THE YEAR" Evening Standard Drama Award.

LYRIC. 01-437 3686. Evenings 8.0. Mat. Wed. 3.0. Sat. 5.0 and 8.30. JOAN PLOWRIGHT. HELEN MIRREN. PETER McENERY. JOHN MOFFATT FRANK GRIMES in ANTON CHEKHOV'S THE SEA GULL Directed by LINDSAY ANDERSON "A masterpiece. Superlative." D. Mail.

MAYFAIR THEATRE. 01-629 3036. Evening 8.15. Sat. 5.30 and 8.30 BILLIE WHITELAW. BARBARA FERRIS and DINSDALE LANDEN in ALPHABETICAL ORDER "Michael Frayne's comedy is a delightful experience." Evening Standard.

MAYFAIR THEATRE. 01-629 3036. SOOTY'S CHRISTMAS SHOW Daily 2.00. 4.00. Sat. 10.30. 2.00. 4.00.

MERMAID. 248 7656. Food 248 2835. Evgs. 8.15 Mat. Thurs., Sat. 4.45. BERNARD MILES. ELIZABETH SEAL. PETER REEVES FARJEON REVIEWED A Musical Tribute to England's wittiest revue writer, HERBERT FARJEON. "The best of Farjeon is still inimitable." "Go and see for yourself for nostalgia or initiation." "Written with literate elegance not often matched *in revue.*" SEATS FROM 75p to £2.50 or COMBINED DINNER AND THEATRE TICKETS FOR £4.95.

MERMAID. 248 7656. Food 248 2835. Dec. 15-Jan. 17. Booking Now. Swift's GULLIVER'S TRAVELS with Mike D'Abo. William Rushton.

NEW LONDON. 01-405 0072. For 3 days only THEATR CYMRU UNDER MILK WOOD Th. Nov. 13 at 8.30. Fri. Nov. 14 at 2.30 & 8.30. Sat. Nov. 15 at 6.0. 8.45.

NEW LONDON. 01-405 0072. Dec. 18-Jan. 24. Booking Now. SPIKE MILLIGAN BERNARD MILES in the Mermaid Theatre's Award-Winning Production of TREASURE ISLAND

NEW LONDON. 01-405 0072. Last performance tonight 8.0. BRUCE FORSYTH In his own "one-man" laughter show.

OLD VIC. THE NATIONAL THEATRE. 928 7616. Today 2.15. Ton't. Fri. 7.30: PLAYBOY OF THE WESTERN WORLD by J. M. Synge Mon and Tues at 7.30: THE MISANTHROPE Wed. 7.30. Thur 2.15 and 7.30: PHAEDRA BRITANNICA Some seats held for sale day of performance from 10 a.m.

PALACE. 437 6834. Mon. to Thurs. 8.00. Fri. and Sat. 6.00 and 8.40 JESUS CHRIST SUPERSTAR

PALLADIUM. 01-437 7373. Opens Dec. 17 at 7.00. Subs. daily 2.45 and 7.30. LULU RON MOODY RACHEL GURNEY in PETER PAN.

PALLADIUM. 437 7373. Nov. 26, 27 only at 8.0. THE BLACK WATCH BAND SPECTACULAR. Highland Dancers. 80 Performers. BOOK NOW.

PHOENIX. 836 8611. Mon. to Thurs. 8.0. Fri., Sat. 5.15 and 8.30. Bristol Old Vic Musical Story of Great Gilbert and Sullivan Partnership TARANTARA! TARANTARA! "Shining Gem." D.M. "This delightful Show." E.N. "Full of life and wit." S.T.

PHOENIX. 836 8611. From Dec. 15. A. A. Milne's WINNIE THE POOH. Mats. Daily 2 p.m. & Tu. Sat. 11 a.m.

PICCADILLY. 437 4506. Mon.-Thurs. 8.00. Fri., Sat. 6.00. 8.40. KWA ZULU "Probably the most compulsively enjoyable" musical show in London." F.T. "A joyous occasion indeed." Sun Exp.

PRINCE OF WALES. 01-930 8681. Evenings 8.0 (Mon. Nov. 10 at 7.30). Fri., Sat. 5.30 & 8.30 HARRY SECOMBE "Lovable clowning, excellent singing." D.Mir. in THE PLUMBER'S PROGRESS

QUEEN'S. 01-734 1166. Evenings 8.00. Mats. Thurs. 3.00 Sat 5.30 and 8.30 ALAN BATES in OTHERWISE ENGAGED A new play by SIMON GRAY. Directed by HAROLD PINTER

RAYMOND REVUEBAR THEATRE, 734 1593. At 7 p.m., 9 p.m., 11 p.m. PAUL RAYMOND presents THE FESTIVAL OF EROTICA 75

REGENT. 323 2707. Evenings 8.30 Fri and Sat. 7.00 and 9.15. 2nd YEAR OF SENSATIONAL STAGE SHOW OF THE '70s LET MY PEOPLE COME AN ADULT MUSICAL "Never a dull moment." Evening News. 100 tickets held for sale at door.

ROUNDHOUSE. 267 2564. Last perfs. to-day at 5 and 8.30. PROSPECT THEATRE COMPANY PILGRIM "BEST NEW MUSICAL . . . VERY EXCITING . . . SEE IT!" Ev. News. Opens Wed. Music Theatre from Avignon Le Pavillon au bord de la Riviere.

ROYAL COURT. 730 1745. Last perfs. today 5 & 8.30. MICHAEL HORDERN CONSTANCE CUMMINGS STRIPWELL by Howard Barker "Superb performance by Michael Hordern." FT. "Highly entertaining." Gdn YOUNG WRITERS' FESTIVAL Theatre Upstairs Ends today. Today 2 p.m. Double Dragons. Ton't 7.30 Bench of Five Plays & How Do You Clean a Sunflower?

ST. MARTIN'S. 836 1443. Evenings 8.00. Mats. Tues. 2.45. Sats. 5.00 and 8.00 AGATHA CHRISTIE'S THE MOUSETRAP World's longest-ever run 23rd YEAR.

SAVOY. 836 8888. Evenings at 8. Mats. Wed. at 2.30 and Sat. at 5.00. Barbara MULLEN and Derek BOND in AGATHA CHRISTIE'S MURDER AT THE VICARAGE

SHAFTESBURY THEATRE. 01-836 6596. Evgs. 7.30. Matinees Wed., Sat. 3.00. ARTHUR LOWE. JOHN LE MESURIER. CLIVE DUNN in DAD'S ARMY "Funny and touching . . . total artistic success." Sunday Times

SHAW. 01-388 1394. Evenings 8.0. Last 2 weeks FURTHER ASPECTS OF MAX WALL

STRAND. 836 2660. Evenings 8.00. Mats. Thurs. 3.00. Sat. 5.30 and 8.30 DORIS HARE. RICHARD CALDICOT. ANDREW SACHS NO SEX PLEASE, WE'RE BRITISH Directed by Allan Davis LONDON'S LONGEST LAUGH. 5th YEAR

TALK OF THE TOWN. 01-734 5051. From 8.15. Dining and Dancing. At 9.30 New Revue SWEET TEMPTATION and at 11 p.m. ROY CASTLE Opening Tuesday next SALENA JONES

VAUDEVILLE. 836 9988. Evgs. at 8. Sats. 5 and 8. Mats. Tue. at 2.45. Margaret LOCKWOOD Paul DANEMAN and Barrie INGHAM DOUBLE EDGE "Superb who-dun-it . . . the cleverest who-dun-it I have seen for years." D. Tel.

VICTORIA PALACE. 834 1317. Evgs 8.0. Wed., Sat. 6.0 & 8.45. MIKE YARWOOD in "The Time of Your Life" ". . . a greatly enjoyable revue." D. Exp.

WESTMINSTER. 834 0283. Dec. 2 to Feb. 7 Evs. 7.30. Mats. Wed. & Sat. 2.30 Chichester Festival Theatre Prod. FOLLOW THE STAR a new Family Christmas Musical Dir Wendy Toye (Extra Mats Dec 18 & 30)

WHITEHALL. 930 6692-7765. Evgs. 8.00. Fri., Sat. 6.15 and 8.45. "Funniest play in London." Vogue. WHAT THE BUTLER SAW Directed by Lindsay Anderson. "I came away aching with laughter." Daily Mail.

WINDMILL THEATRE. 437 6312 PAUL RAYMOND presents LET'S GET LAID Twice Nightly at 7.00 and 9.00. 2nd SENSATIONAL YEAR

WYNDHAM'S. 836 3028. Mon.-Fri. 8.00. Sats. 5.00 and 8.00. JOHN GIELGUD, RALPH RICHARDSON National Theatre Production HAROLD PINTER'S NO MAN'S LAND Directed by PETER HALL. "GREAT ACTING AT ITS HIGHEST PITCH." Evg News. Limited Season.

YOUNG VIC (by Old Vic). 928 6363. Tdy 5 & 8.15 MACBETH.

CINEMAS

ABC 1 & 2 Shaftesbury Ave. 836 8861. Sep. Perfs. ALL SEATS BKBLE. 1: GONE WITH THE WIND (A). Wk. & Sun.: 2.00. 7.45. 2: LOVE AND DEATH (A). Wk. & Sun.: 2.00. 5.30. 8.30. Late show Tonight 11.30.

CASINO. 437 6877. EARTHQUAKE (A). You'll feel it as well as see it in SENSURROUND. Sep. Perfs. daily at 2.30. 5.30 and 8.30. Last Weeks.

CURZON, Curzon Street, W.1. 499 3737. LES VALSEUSES (Making It) (X). Progs. 1.55 (not Sun.) 4.00. 6.15. 8.30. Late show Saturday 11 p.m.

EMPIRE, Leicester Square. 3 DAYS OF THE CONDOR (AA). Progs. daily 2.30. 5.30. 8.30. Sep. perfs. All seats bkble. No phone bookings.

LEICESTER SQUARE THEATRE. 930 5252. See! Hear! Feel! TOMMY (AA). The Film Event of the Year. Sep. perfs. 1.30. 4.30. 8.00. Sun. 4.30. 8.00. All seats may be booked.

ODEON, Haymarket. (930 2738-2771.) SHAMPOO (X). Sep. perfs. Wk. 1.15 (not Sun.) 3.45. 8.15. Shampoo at 1.55 (not Sun.) 5.30. 8.55. Late show Fri. & Sat. 11.45. All seats may be booked.

ODEON, Leicester Square. (930 6111.) BITE THE BULLET (A). Cont. progs. Wk. 2.00. 4.50. 7.50. Sun. 2.30. 4.50. 7.30. Late show Fri. & Sat. 11.15.

PLAZA 2, Regent St. 839 6494. Box Office open 11 a.m. to 7 p.m. (not Sun.). GONE WITH THE WIND (A) in 70mm. Progs. Sep. Perfs. Daily 2.15. 6.50. Late Show Sat. 11.15 p.m. All seats bookable.

PRINCE CHARLES, Leic. Sq. 437 8181. 2nd Great Year EMMANUELLE (X) Sep. Perfs. daily (inc. Sun.) 2.45. 6.15. 9.00. Late Show Fri. and Sat. 11.45. Seats Bookable. Licensed Bar.

RITZ, Leicester Sq. 437 1234. 800 00. Progs. Daily 2.15. 4.25. 6.35. 8.45. Late Show Fri. & Sat. 11.30 p.m.

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CINEMAS CONTINUED ON PAGE 6

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The Arts

Polish Blues

BY KEVIN HENRIQUES

At the Nancy Jazz Pulsations almost an entire concert was devoted to Polish jazz. Uninitiates may be mildly astonished to learn that any jazz activity exists in that country: but Poland boasts what is almost certainly the most enterprising and flourishing jazz scene in Eastern Europe. Jazz in Poland goes back to the 1920s: I've seen pictures of Polish jazz bands of 1926 and 1928 and a 1929 article entitled "Jazz at the Factory Wheel" claims that "jazz excites the muscles and heart, the strength of one's hand-hold is *several per cent. higher with* music than without music."

After the last war the music was reborn in Poland in the mid-1950s. A monthly magazine, *Jazz* was founded in February, 1956, and is *still thriving, though, like our own Melody Maker*, it has broadened its scope into the wider one of contemporary pop music. The country's first jazz festival was held in Sopot in 1958, moving two years later to Warsaw where it has been held every year subsequently.

In November 1956 the Polish Jazz Federation was formed. The idea was "to establish an authority which would help in the work *of* existing clubs and groups. . . and organise jazz life in the country." In 1970 it was re-named the Polish Jazz Society, and now claims to be the biggest jazz organisation in Europe with as many as 50 full-time workers on its staff which covers a concert agency, record club and publishing agency. Polish musicians actively participate in its extensive work which also includes full or partial organisation of six international festivals a year inside Poland. The Society has active branches *for* musicians, organisers and critics. This last division is remarkable. It publishes books, organises lectures, facilitates trips to festivals and organises free exchanges between jazz critics anywhere in *the world. It* deserved the astonished admiration it received from the Western critics who were invited to an informal meeting with divisional representatives in Warsaw during the recent festival there.

Also originating from Warsaw is *Jazz Forum*, an English-language bi-monthly, the magazine, but not mouthpiece, of the International Jazz Federation. With a print order of 30,000 JF is distributed world-wide and covers every conceivable aspect of the music. Considering it is printed in Poland and produced almost entirely by Polish-born journalists, it is a remarkable enterprise. Apart from its contributions it is notable for its graphics, *Polish-style* which maintain a constantly high level of inspiration. There is a smaller Polish edition, plans are in hand to launch a German-language one and then the aim is to have properly organised *distribution in the U.S.*

Thus in a comparatively short time Poland has given enormously to the jazz world and in return the world's leading musicians have visited this jazz-thirsty country. Inevitably, Polish jazz has progressed and made a high reputation far beyond its own boundaries.

In Britain the best known Polish musician is undoubtedly the 36-year-old altoist (now poly-instrumentalist)—Zbigniew Namyslowski, warmly remembered for his three visits here in the mid-1960s and now the active President *of* the Polish Jazz Society. Recent auditions of his alto-playing emphasise what a loss his ten-year absence from Britain has been. Claimed by many *Poles to* be their best musician, Namyslowski almost always plays his own compositions, deep in the tradition of Polish blues. As with Negro blues his is an emotional, sad music but with elements of *humour* and of all East European countries Poland has, perhaps, the greatest right to have the blues. . .

Probably the most internationally-known Polish musician is multi-instrumentalist Michal Urbaniak, at present living, playing and recording in the U.S. with his wife, singer Urszula Dudziak. Violin is now his main instrument but he also handles guitar, tenor and baritone-sax. The vocal group, the *Novi Singers, down to a trio fol*lowing the loss of their founder Bernard Kawfka, also in the U.S., at the moment sound a tame echo of their glorious past. Tomasz Stanko was said to be the first Polish trumpeter to play *in* the free-form idiom and is highly rated in Poland. So, too, is another violinist (and altoist) Zbigniew Seifert, who lives in Germany, but who was a big disappointment when he played at Nancy's Jazz Pulsations. Jan Ptaszyn Wroblewski, as well as being a vice-president of the PJS, is a busy, almost ubiquitous musician, composer, tenor-saxist who turns up in a multitude of settings but whose most serious outlet at the moment is a deceptively innocuous quartet which he leads to prove and support his view that "mainstream music is essential for the survival of the jazz idiom."

Most of the foremost Polish players participate in the annual Jazz Jamboree in Warsaw, the main event in the country's jazz calendar because of the foreign musicians who are invited. This year's Jamboree, the 18th, was, said experienced locals, below the usual standard. Certainly to the first-time visitor the main concerts were of relatively minor quality. Held in the acoustically superb Sala Kongresowa, part of the enormous Palace of Culture which dominates the city like a battleship in a Jules Verne fantasy, the concerts were illumined by the accomplished professionalism and sheer class of singer Sarah Vaughan. The only other American contribution (apart from pianist Jerome Jones, formerly with the Stars of Faith group but *now* living in Europe) was "The Music of Louis Armstrong" package. In this, leading musicians played orchestrated versions of Armstrong solos. Without cornetist Ruby Braff (whose absence was not explained) it was a soul-less experience but one the audience delightedly savoured.

The remaining highspots came from Peter Herbolzheimer's Rhythm and Brass Combination from West Germany which was *in a different world* from the other big band in the four-day event, a leaden unit from Czechoslovakia. Norwegian singer Karin Krog confirmed her position as continental Europe's No. 1 stylist and experimenter with lyrics. The virtuoso solo playing of Adam Makowicz (born in Czechoslovakia but for long an important figure on the Polish scene), the Arne Domnerus group from Sweden and the sheer percussive power of the Swiss jazz/rock group OM were the other lingering memories.

After the concerts, advertised jam sessions were held in several clubs in the city. At these the informality and closeness between audience and performers gave an extra dimension to the Jamboree. I remember early one morning an unknown overcoated altoist wandering on stage to play with Jerome Jones. In moments like *these lie the* enduring memories of any festival. This was no exception.

Aspects of Warsaw's 'Jazz Forum'

Meanwhile in East Berlin . . .

BY RONALD HOLLOWAY

In contrast to the *Berliner Festwochen* offered to the international public on this side of the fence, the German Democratic Republic counters with the *Berliner Festtage* "in der Hauptstadt der DDR." The latter backs into the former for an overlapping of about a week, and one would suppose the reason is to share in the benefits of Press coverage and the like. But the actual reason seems to be the presence of a national holiday at the beginning of October, for which a little running room is allowed before the celebration really gets off the ground.

In any case, a favourable Press is the last thing on the *Festtage's* mind: far more important is the distribution of choice tickets to delegations and special guests for the prime guest productions from neighbouring Socialist countries and cities in the GDR other than Berlin. And when the critic in West Berlin manages to buy his ticket in advance, and spends half an afternoon to make the troublesome cross-over during "rush hour" (5 to 8 p.m.), he is just liable to settle into the Parkett section surrounded by empty seats. The delegations have found something better to do.

Each year the *Festtage* pays artistic tribute to one of its Eastern neighbours; this time it was—fortunately—Poland. The festival, in the half-dozen years I have made my pilgrimage, has never been more impressive, primarily because of the quality and tone of the productions offered. Poland had an itch for Theatre of the Absurd soon after it was the fad in Western Europe, and she got her way over protests from other Socialist lands that such "decadent" art could not hold a candlestick to realist plays about the farmer and the worker.

Her tastes have long been justified, although East German theatres have had to swallow hard even to accept the fundamental principles of Brechtian stagecraft. This is the land of Gombrowicz and Wyspianski, Grotowski and Slawomir Mrozek, to name but the most prominent who have earned a broad following in the West.

One of the highlights of the festival was the Warsaw National Theatre's performance of Stanislaw Wyspianski's *The Wedding*, which caused a sensation at its 1901 première, went on later to take an honoured position in Polish literature, and reached new heights of appreciation in Andrzej Wajda's film and the present guest performance at the Deutsches Theater. The same spontaneity and enthusiasm greeted the première of Krzysztof Penderecki's *The Devils of Loudon* at the Deutsche Staatsoper, conducted superbly by Wolfgang Rennert in an Erhard Fischer production with Krystyna Szostek-Radkowa in the role of the possessed prioress. Both occasions bode well for more modernity on East German stages in the *future*, or at least a favourable resolution to the present-day controversy surrounding the experimental Brecht productions under Ruth Berghaus at the Berliner Ensemble.

To these can be added a theatrical collage of Stanislaw Witkiewicz's sensual, apocalyptic writings, titled *Witkacy*, presented under Polish auspices at a culture week in Dortmund last spring, an occasion also celebrating the 25th anniversary of Paul Wolf's often-courageous support of a German-Polish friendship society in the Bundesrepublik long before the reality of Willy Brandt's *Ostpolitik*. In this light, we can readily estimate the leavening effect modern Polish drama has had on European culture as a whole.

Interesting in the manner of treating a war theme, the East German production (directed by Horst Ruprecht) of Boris Wassiljew's *Stillness at Twilight* deals with a girls' brigade suddenly called on for acts of heroism and self-sacrifice in fighting a band of German soldiers parachuted behind the lines; the story is common enough, but the doubling-over of roles fascinates, as in situations where a female singer impersonates a boy in an operatic role, only to have to dress as a girl again to effect a disguise.

Thus, in *Stillness at Twilight*, German actors playing Russian roles kill other Germans, who are not really Germans at all—but Fascists. And somehow, in the passion of interpretation, it all seems to work. The next evening *I saw Walter Felsenstein's* latest production of Mozart's *Marriage of Figaro*, and the double-switch again in the character of Cherubino, the page, worked even better.

The most disappointing of new productions scheduled for the *Festtage* was Fritz Marquardt's version of Molière's *The Misanthrope*, titled *Der Menschenhasser* (instead of the usual *Der Menschenfeind*) in a Kurt Bartsch translation. In cramped staging on the *lip of* the forward platform, banked by a maze of doorways in the immediate background, the action goes nowhere, except in and out of those doors. And for the life of me, I can't figure out why the servants should only enter through the cupboard doorway: the Sun King surely allowed his rays of benevolence to shine equally on all in the corridors of a country estate.

Theatres this week

DUKE OF YORK'S—*Roger's Last Stand*. Leslie Phillips and Roy Kinnear in a witless comedy. Opened Monday.

HAMPSTEAD—*A Man's a Man*. Colourful rethinking of Brecht's tale of the peasant turned into a soldier. Opened Monday.

BUSH, Shepherd's Bush—*Oh What!* An anthology of contemporary attitudes sharply perceived by the Hull Truck, a company that extemporises its productions. Opened Tuesday.

VAUDEVILLE—*Double Edge*. As unthrilling a thriller as you can imagine, in which three people debate a recent attempted assassination of the Prime Minister. Not our own dear Premier, however, so even that excitement is ruled out. Opened Wednesday.

FORTUNE—*The Charles Pierce Show*. An uncompromisingly gay drag act in which America's "leading male actress" does impersonations and stand-up comedy. Opened Thursday.

GREENWICH—*Fallen Angels*. Coward's early comedy that covers its thin plot with splendidly amusing chat. Eileen Atkins and Judy Parfitt are grand as the eponymous angels. Opened Thursday.

OVERSEAS NEWS

Deposed President Mushtaque is publicly thanked

CALCUTTA, Nov. 7.

FORMER President Khondakar Mushtaque Ahmed of Bangladesh, in a broadcast to his fellow countrymen tonight asked them to pardon the mistakes of his government.

He also appealed to the people to support the man who replaced him yesterday, former chief *justice Abu Adat Mohammad* Sayem, who he described as a neutral and non-party man. Congratulating the armed forces and people who he said had launched a revolution and safeguarded the independence and *sovereignty of the state*, he declared: "I will remain with you as an ordinary person to serve the nation."

He was followed on the air by the new President, who said he had taken over at the request of his predecessor. In the broadcast, monitored here, President Mohammad Sayem said "the great example set by him in handing *over* power is rare in any developing nation and is a matter of pride for the people of this nation."

He announced that in order to ensure the smooth functioning of government a martial law administration had been set up. This was comprised of Major-General Ziaur Rahman, Commodore Musharakh Hussain Khan, Air Vice Marshal M. G. Tawab and four regional martial law administrators. The new President said that besides setting up a democratic political system in the country efforts must be made to strengthen the economy.

The President said that he himself would be the chief martial law administrator. This announcement contradicted an earlier broadcast from Dacca which said General Rahman had taken the position. He had lost his job as army chief of staff on Monday, after senior army officers moved against the major's regime in Dacca which had supported ex-President Mushtaque Ahmed.

Following the earlier announcement to-day, General Rahman had addressed the nation calling for life to continue as normal and ordered offices, courts, transport, industry and business to resume at full pace. The radio announcement reporting his appointment to the top martial law post had been seen as marking his re-emergence as the country's strong man.

The power struggle now appears to be mainly between sector commanders of the Mukti Bahini guerillas who led the fight for Bangladesh independence during the 1971 civil war against Pakistan. The most powerful of these are General Rahman, who led a unit known as the "Z" force, Lieutenant-General Shafiullah, who was army chief of staff until replaced by General Rahman after the coup, and General Musharef.

Two other leading figures in this week's events are Major-General Khalilur Rahman, the defence forces commander, whom Radio Bangladesh said on Wednesday would be chief martial law administrator—and Major General Dastir, comman*der of the Chittagong garrison*. Both were repatriated from Pakistan late in 1973.

Reuter

FNLA wrest port of Benguela from MPLA

BY JANE BERGEROL

LUANDA, Nov. 7.

IT APPEARS that the port of Benguela was finally occupied by FNLA troops this morning, after the MPLA had put up a struggle *but failed to beat off the FNLA* column which has been attacking Benguela for several days.

This news, if correct, will be a blow to MPLA morale and also brings more of a direct threat to Luanda itself, since there are *fewer MPLA troops engaged on* the southern front than on the north and centre. This afternoon, as reports that all incoming commercial flights to the capital will end to-morrow were confirmed unofficially, MPLA soldiers were out setting up stiff anti-aircraft defences around the city.

Meanwhile, the MPLA leader Lopo de Nascimento arrived back in Luanda to-day from Kampala, leaving an MPLA representative, Jose Eduardo, to discuss a working document with Angola's other two liberation movements, designed to reforge unity and put an independent government of the three in peaceful harness.

The document, which is only a basis for discussion and has consequently not been signed or ratified by any party, appears closely based on the January Alvor independence agreement. As such, the prospects for its actually leading to a tripartite government which could overcome the paralysis and divisions of the transition government—let alone the acceptance of the formula for joint government itself—appear as slim as ever.

The surprise contained in the document is a proposal for an *OAU* peace-keeping force whose role would be following independence on Tuesday to safeguard Angola's territorial integrity. The peace-keeping force, it is also suggested, could intervene in fighting between the three armies—but only at the express demand of the liberation movements.

Meanwhile, preparations for independence in Luanda are well under way, and both the national flag and national anthem "forward people, forward marching to victory." have been selected.

● Vital talks which could lead to a political settlement of the Angloan crisis are to be held to-morrow in the Mozambique capital of Lourenco Marques, a top Portuguese official said in Lisbon to-day.

Commander Vitor Crespo, the Portuguese Minister in charge of decolonisation, said the meeting between the MPLA and liberation movements of all Portugal's former African colonies would be held to discuss Angola's independence on November 11.

Commander Crespo said the FNLA and Unita had shown themselves fairly receptive to the idea of a national unity government. But the MPLA was not yet willing to commit itself before further discussions.

Reuter

Leyland delays Italian subsidiary decision

BY TONY ROBINSON

ROME, Nov. 7.

BRITISH LEYLAND has agreed to put back by two weeks their final decision as to the future of Leyland's Italian subsidiary Leyland Innocenti, Mr. David Andrews, managing director of Leyland International said to-day. *This decision followed* two days of talks at the Labour Ministry during which the Labour and Industry Ministers told the company that the unilateral action now with respect to the 1,500 employees which Leyland *wish to sack would jeopardise* negotiations now taking place to secure employment for the total 4,500 workers currently employed by the company.

The Ministers promised to disclose the Government's final decision on November 22.

Leyland Innocenti, managing director, Percy Plant, claims that the company has been losing some 400,000 lire per car produced at the Milan factory and *insists that only by* reducing the labour force to 3,000 by stabilising output at around 40,000 units annually and raising productivity can the company return to profitability. The unions fear, however, that a drastic reduction of this nature is only a prelude to total closure, although Leyland deny this provided productivity *is* raised sufficiently.

The key to the situation lies in government efforts to find alternative occupation for the 1,500 sacked redundant men otherwise Leyland insists it will be forced *to go ahead and close the whole* plant and withdraw from Italy as they have done from other foreign subsidiaries in Spain and Australia.

The demand for trucks, earth-moving equipment and forklift *trucks is still very depressed*, however, and in these sectors Fiat told unions that it is obliged to stop production for 12 days for 15,000 truck workers, 16 days for coach builders at Cameri near Turin, and 24 days at its *fork lift plant*.

Move to impeach Sra. Peron

BUENOS AIRES, Nov. 7.

THREE OPPOSITION Parliamentarians to-day formally requested the impeachment of ailing Argentine President Maria Estela Peron.

The three presented a resolution to the Lower House requesting the opening of impeachment proceedings "for bad performance in the exercise of her duties."

The three deputies are national representatives of the "Bloquista" party of San Juan province, which opposes the ruling Justicialist (Peronist) Liberation Front.

The general charge of maladministration is sufficient cause for the opening of impeachment proceedings by the Lower House under the Argentine Constitution, and the deputies did not specify their complaints against *Sra. Peron. Parliamentary* observers said the resolution was not likely to be accepted by the House, but they considered its presentation indicative of the lady President's rapidly declining prestige and support in the country.

The three deputies who introduced the impeachment resolution were Federico Bravo, Hector Valenzuela and Regulo Montero. Sra. Peron, 44, is in hospital with what officially is described as a gall bladder complaint.

She entered hospital on Monday amid mounting demands for her resignation, only two weeks after returning from a month's holiday to recover her health from the strains *of* 15 months in office.

Reuter

Slight rise in U.S. unemployed

By David Bell

WASHINGTON, Nov. 7.

THE NUMBER of people in the U.S. looking for jobs edged slightly higher last month, although total employment remained virtually unchanged.

The Labour Department said that the rise in the seasonally adjusted unemployment rate from 8.3 per cent. to 8.6 per cent. was largely accounted for by the increase in the number of people looking for work. These are people who in past months have not appeared in the statistics at all as these register only people actively seeking a job.

Economists do not attach great importance to this set of figures as a guide to the future of the economy which is now the subject of much debate following yesterday's unexpectedly bad wholesale price statistics. Total employment, at 85.4m., is almost unchanged and while there has been a 116,000 fall in the number of people laid off, it is too early to say how significant this may be in the long term.

Employment in manufacturing is still rising according to these figures but not by enough to show anything like conclusively that the economy is picking up strongly.

Occidental says Libyan ban lifted

LOS ANGELES, Nov. 7.

THE OCCIDENTAL Petroleum Corporation said to-day Libya has lifted its ban preventing Occidental employees from leaving the country.

Libya, in a continuing dispute with the oil company, announced on October 2 that it was refusing permission for 520 non-Libyan Occidental employees, including 230 Americans, to leave Libya.

Occidental did not indicate why Libya decided to lift the travel ban imposed on expatriate employees. Occidental seized some Libyan oil, under a court order, when it was being unloaded in Louisiana this week. The *seized oil had* been sold by Libya to the Coastal States Gas Corporation, an American natural gas company which had a one-year contract with the oil exporting state. The court petition claimed the oil was rightfully Occidental's under its contracts with Libya.

The independent U.S. oil company, which relies primarily on Libya as its main source of crude, said it felt the Libyan action in attempting to sell all the crude cargo amounted to confiscation of its property.

Reuter

Iran-W. German refinery deal officially dead

By Nicholas Colchester

BONN, Nov. 7.

THE German-Iranian project to build a refinery in the Gulf at Buschir is now officially dead. Karl Otto Poehl, state secretary in the West German Finance Ministry, said to-day that the scheme was no longer of interest to West Germany.

The news ends 18 months of increasingly half-hearted negotiations over a scheme conceived in aftermath of the oil crisis. It has been clear for most of this year that the refined products would have been uncompetitive in the European market.

People leaving Beirut during fighting lull

BY IHSAN HIJAZI

BEIRUT, Nov. 7.

WHILE the political situation here remained potentially "very serious," as Premier Rashid Karami himself described it, an uneasy quiet continued to prevail.

Many people are using the lull to move out of the capital. Many trucks loaded with furniture and personal effects were seen headed out of town in the direction of the mountain resorts. Families have installed central heating in houses they rented in those areas and decided to spend the winter there.

This was taken as a sign that they do not expect the present truce to last very long. Rightist militiamen to-day continued to cordon off a part of a beach outside of the port of Junieh north of here, where a ship was believed to be still unloading weapons.

The exact identity of the ship has remained a mystery but reports in the Press said that it came from Las Palmas in the *Canary Islands carrying 700 tons* of weapons The daily Al Nahar, newspaper of Minister Ghassan Tueni, said that crates of all shapes and sizes were unloaded from the ship in the past three days and taken away to various destinations.

The Leftist Press has charged that the unloading was supervised by Tony Franjieh, the son of the President, Dany Chamoun, the son of Interior Minister Camille Chamoun, and Bechir Gemayel the son of the leader of the Phalangist Party. Young Franjieh is now heading the militiamen in the northern town of Zgharta while Dany Chamoun commands the militia of the National Liberal Party of his father

Alain Cass adds: Informed sources in the Lebanese capital believe that President Giscard d'Estaing of France may decide to send a senior Gaullist politician to Lebanon as part of the French initiative to try and solve the crisis.

Two names being tipped are M. Couve de Murville, former Prime Minister, and M. Michel Debré, former Minister of *Defence. The French initiative* is apparently aimed at preventing what is widely regarded as being the worst *of* all alternatives for the Lebanon—partition.

Sadat discusses weapon sales with Wilson

BY MICHAEL TINGAY

ON the second day of his State Visit President Sadat of Egypt yesterday discussed with Mr. Harold Wilson, Prime Minister, a "number of bilateral issues" including the sale of British defence equipment to Egypt.

At a meeting attended by other senior British Ministers, they prepared the ground for consultations between the suppliers and experts of both sides which were held last night, but did not discuss details of what an executive of one British arms manufacturer involved said could be "one of the most important arms deals in years."

It was stressed in Whitehall that discussions were of a general nature and exploratory. *But items under consideration* by the Egyptians include the BAC Rapier missile, which would fill a critical gap in Egypt's missile defence umbrella with a capability of knocking out low flying aircraft *where the fixed Soviet SAM* missiles are impotent, and the "swingfire" wireguided anti-tank missile which is technically superior to and of longer range than the Russian sagger missile. The Jaguar fighter bomber is *receiving attention.*

It is favoured not only by Saudi Arabia, Egypt's military paymaster but also, it is understood, by the French Government which apparently would now prefer to sell the Anglo-French *aircraft rather than the Mirage* F1 M53 *for* which a limited order was placed earlier this year.

Mr. James Callaghan, the Foreign Secretary, and Mr. Roy Mason, the Defence Secretary, were at the 10 Downing Street talks at which President Sadat was also understood to have made clear his interest in Rolls-Royce establishing an aircraft engine plant within Egypt as a part of the Arab Military Industry Organisation which is to be financed by the surplus oil states. Also on the agenda was believed to be the project for assembling the Hawk trainer-ground attack aircraft. Naval equipment and systems were also discussed.

On the civilian side British involvement in Egypt's development and reconstruction programme received more attention with the emphasis on technical assistance rather than investment. The Egyptians are particularly anxious for assistance with exploitation of their country's phosphate ore reserves, which are known to be substantial, and also, more surprisingly, uranium deposits which they are said to possess.

At a lunch given by Sir Murray Fox, the Lord Mayor, at the Mansion House, President Sadat touched on another theme of his visit when he emphasised in a brief speech that the cause of the Palestinian people deserved Britain's sympathetic consideration. Referring to Egypt's draft resolution on the subject calling for the participation of the *Palestinians* in *the* negotiating process, he said "I am sure we can count on your understanding and co-operation."

OECD price rises slow

BY ROBERT MAUTHNER

PARIS, Nov. 7.

CONSUMER prices over the 12 months to September rose by 10.4 per cent. in the OECD area, *the lowest year-to-year rate since* December 1973, it was announced here to-day.

The improvement occurred in spite of an increase of 0.7 per cent. in September compared with only 0.4 per cent. in August, an *acceleration which was put* down partly to seasonal factors but which the OECD Secretariat said was aggravated by rising food prices and, in some *countries, rises in* Government controlled prices.

Although British prices rose by 0.9 per cent. in September compared with the somewhat freakish figure of only 0.6 the previous month, the annual rate *of inflation is now on a downward* path.

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Brussels: 39 Rue Ducale 129037
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Stockholm: Raalambsvagen 7, 105 17 Stockholm. Tel: 50 60 88
New York: 75 Rockefeller Plaza, NY 10019 Editorial—212 541 4625 Business—212 489 8300
Washington: Second Floor, 1325, E. Street, N.W., Washington D.C. 202 347 8676
Toronto: 285 Ont. 6 Charles St. E. 416 921 5575
Jo'burg: 411 Sanlam Building, Commissioner Street, P.O. Box 2128. 838 7009
Sydney: 344 Sussex Street (Cnr. Liverpool Street), Box 3888 GPO 2001 Tel: 610 517, 618 773
Tokyo: 8th Floor, Nihon Keizai Shimbun Building, 1-9-5 Otemachi, Chiyoda-ku. Tel: 241 2920

SATURDAY, NOVEMBER 8, 1975

Prelude to the IMF

THE LONG-HERALDED meeting of the National Economic Development Council held at Chequers on Wednesday was at least well timed. For it was followed by yesterday's announcement that the Government was seeking £975m. from the IMF. The British authorities *have managed to raise this* sum without writing a formal Letter of Intent. But that part of the borrowing, which comes from the "oil facility" would not have been possible without giving the Fund some general indication of a balance of payments strategy which did not *depend on across-the-board import* controls.

The NEDC meeting was also well timed for domestic reasons. The latest survey of the business outlook conducted by the Confederation of British Industry, the results of which were published on the day after the Chequers meeting, suggest that the economy may at last be *approaching the bottom of the* current recession.

Turning points

It is a *standard feature of* such turning points in the business cycle that various indicators seem to be pointing in different directions, quite apart from the fact that it is normal for particular aspects of business activity—the level of employment, for example, and still more the level of new capital investment—to begin their *recovery later than that of out*put in general. The fact that the *latest CBI survey is still* pessimistic on both these particular counts, and that the collective answers received from industry to other questions are by no means clear-cut, should not therefore be regarded as contradicting the conclusion that "there is some evidence in the results of this survey that a turning point in the utilisation *of manufacturing capacity* may have been reached."

The *Chequers meeting*, though primarily concerned with the possibility of reversing the long-term relative decline of British industry, therefore, happened to take place at a time when some manufacturers are feeling rather more cheerful about the shorter term out*look. Although the paper* jointly presented to the meeting by the Chancellor of the Exchequer and the Secretary of State for Industry was in itself so bland as to seem in parts *almost meaningless*, moreover, the reaction of those rep*resented at the meeting shows* that there is something to be read between the lines by those willing to read it.

In the first place, the Government has plainly abandoned the ambitious plans for intervention *in industry associated* with the name of Mr. Wedgwood Benn. What is more, it seems, also to have abandoned the idea of attempting to "pick the winners."

In the second place, the Government has entered into two political commitments of the utmost importance. *The joint* paper states that industrial strategy *should include "ensuring that industry*, both public and private, is able to earn sufficient profits on its investments to spur managements to expand and innovate and to provide them with the internal finance on which to base investment." It also stresses the fact that *greater concentration on im*proving the basic structure of industry will mean in the immediate future, "giving priority to industrial development over consumption or even our social objectives."

The sounds of relative satisfaction and dissatisfaction that have since been heard from the business community and the Left-wing of the Labour Party indicate the potential import*ance of this switch in emphasis.* Industry no doubt hopes that *the Government will* translate into practice its statement about the importance of profitability by suspending at least those parts of the Price Code which are no longer effective and by indicating its readiness to accept some scheme, similar in object to that of the Sandilands Committee, of inflation accounting. It will also be *anxious for some early indica*tion of effective cuts in the growth of public expenditure, and it is therefore reassuring to learn that the Treasury now hopes to set and publish cash limits for various public spending programmes next year. In the unlikely event of the public sector deficit being reduced too soon or too sharply, after all, *the Chancellor* can always reduce taxation. The present IMF drawing *may* not be the last; and further sums will not be *made available* without very hard evidence that British public finances are under control.

After the record outward run by GB II in the FT Clipper Race, the yachts are now being prepared in Australia for the second leg. A report by **Stuart Alexander** in London and **Anthony Churchill** in Sydney

And now for the homeward trip

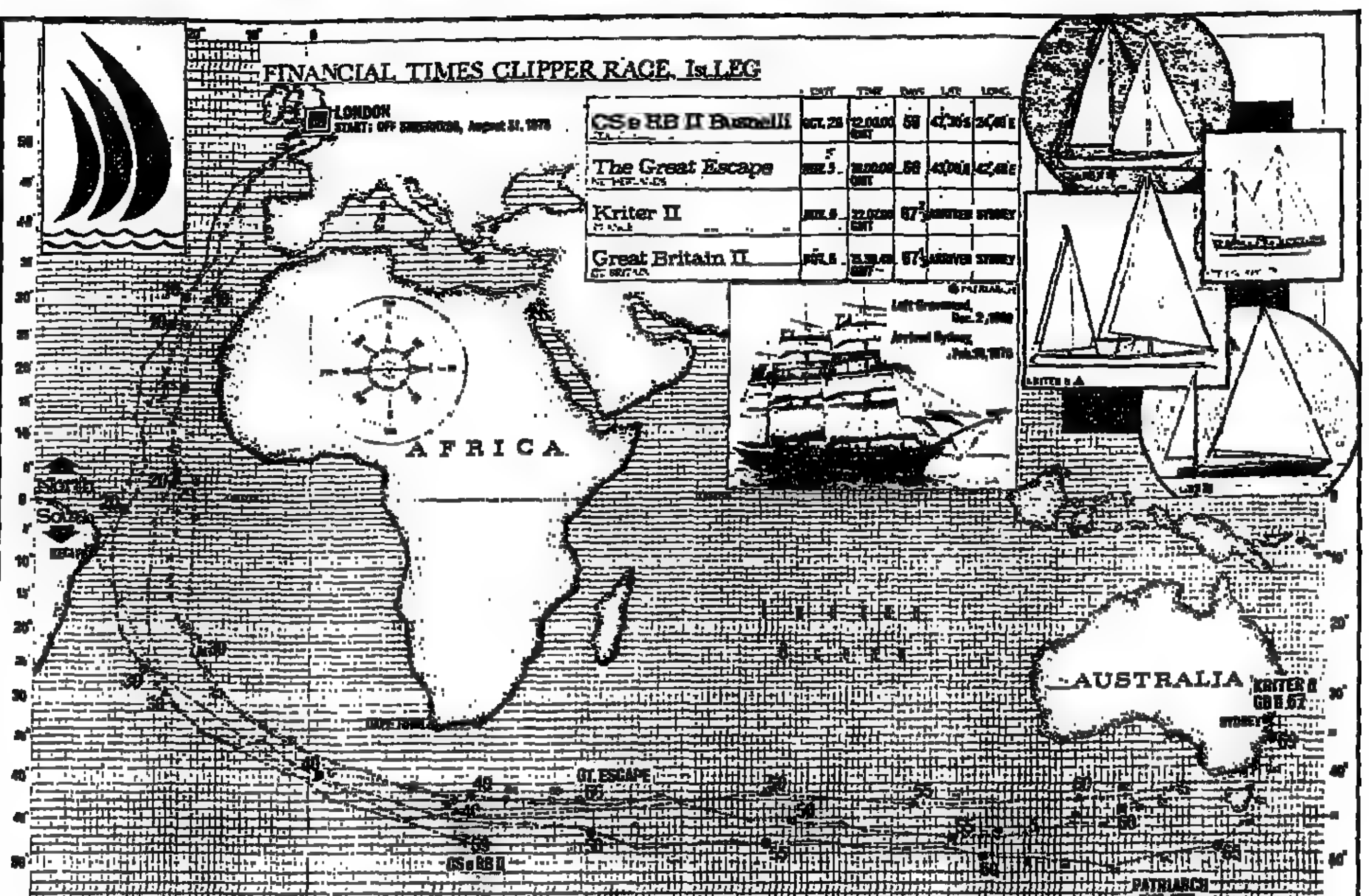
GREAT BRITAIN II and Kriter II are to-day bobbing quietly at their *moorings either side of* an old ammunition lighter in the calm and *sheltered haven of Rush*cutters Bay, Sydney. Behind them both are *13,650 miles* of hard work and excitement, canny tactics, and sweeping decisions. Ahead of them lies the equally demanding race home and the waiting Cape *Horn.*

For the crew members of *GB II, their race is run* as they hand over to a new crew for the second leg and fly home to take up their normal lives. For them the problem is to cope with the inevitable anti-climax and to fill the vacuum that follows a driving, challenging, but also fulfilling routine that has come to an end. The exuberant crew of France's Kriter II, who even managed a rousing chorus of *God Save the Queen* in honour of their rivals, have to turn down only to simmer before gearing up again for the return battle. They began the race with so little time to pre*pare that it is only now that* all the jobs which needed doing can be completed and their boat put into proper racing trim.

Below decks the two boats are in stark contrast. GB II had been prepared many months before the race and has remained neat and tidy. Kriter II is a shambles. Even the graffiti on GB II was at a minimum and designed to be useful. In the crew companionway, the crew *coming on watch from the* warmth of their bunks are met with a drawing of Snoopy, the cartoon character, and the order, writ large, to *SMILE.*

Terry Kirk

Great Britain II's victorious crew: now their race is run and they hand over to a new crew for the second leg.



Which sails to use

Nearby is a neatly stuck up set of instructions on which sails to use in varying wind *conditions: windseeker up to 5* knots apparent; light No. 1 up to 12 knots; heavy up *to* 17 knots and so on up to No. 5 which just says "Help." And there is a plea from the skipper: "Treat sails with love and affection."

Even when the crew must have been going mad with frustration all was ship shape and Army fashion on GB II. Sitting becalmed one mile from *the finish under the glare of* television arc lights and watched *by spectator boats, the crew* kept calm and all managed to turn out on deck looking very trim in their magenta sweaters and grey trousers.

They still had *fresh* lemons to supplement the vitamin pills in the fight against that seamen's curse, scurvy. Their ration of an equivalent of a tot and a half of spirit a day lasted *until the final day of the leg* "and we had a strategic reserve *hidden away," said skipper* Mike Gill. GB II still has plenty of cigarettes, tipped and untipped, and a supply of Havana cigars.

The strap holding the chef as tight as a car seat belt to his stove in order to work in bad weather bears the inscription "the *seat of penance*," and everywhere there are the signs and remains *of* the man and his art.

On GB II, the plastic containers stand in disciplined ranks, with the commodities most often needed on the front line. Left to right are tea, milk, sugar, coffee, mash, and cocoa. Next come the liveners—brown *sauce, tomato sauce, pickle,* curry powder, cornflour and garlic. Yet, despite the large quantity of carefully organised food, some members of the GB crew complained that the passage became unbearable when the brown sauce ran out—others that the food became bearable *only because it had run out.*

On the plus side, however, while there have been gear failures and minor difficulties with food—if a prolonged diet of marmalade and condensed milk is a minor difficulty—personal injuries have been kept to the minimum, and fears of men being washed overboard *or being severely injured have*, at least in the case of the first two boats home, *so far* been happily unfounded. The odd tooth needed filling, or a rib was cracked, and of course there were bruises aplenty.

Keeping the weight of GB II down was a major part of her success. She was designed to sit on the water rather than in *it and the removal of unneces*sary extras such as doors was therefore worthwhile. It also led to a determined effort to find the cause of a leak as, on her previous round-the-world race GB II had suffered a nasty crack between the keel and the hull when the hydraulic tension on *the backstay put pressure on* the underside of the hull.

This time the leak was isolated to the rudder stock and the seepage kept to the aft, and shallow, section of the boat. Kriter was in collision with a whale and was holed forward, requiring the crew to pump continuously. Shortly after that *she broke her main boom*, always a nuisance but very *demoralising if a crew is* already tired and in trouble and trailing.

It is debatable whether these extra exertions cost Kriter the first leg, or whether it was their starting in such a poor state of preparedness or whether the run to Sydney was *won on tactics. The break*through in GB II's run seemed *to come with her decision to* turn the corner early from a southerly course down the Atlantic to an easterly course towards Australia.

Until the Cape Verde Islands, off the coast of West Africa, *Kriter had always favoured the* inside track. But after this point *the yachts crossed with* Kriter keeping closer to the route taken by Patriarch on her record-breaking run. The navigator on Kriter decided to keep well west of where the area of high pressure in the South Atlantic was thought to be. *GB II seemed to be taking* rather a gamble by adopting the more easterly course and edging the high pressure zone. Although Kriter at that point was probably sailing faster with a freer wind, GB II was gaining a margin from an easterly course that Kriter was never able to overhaul.

GB II still seemed determined to keep her *inside* berth as speculation mounted over *whether Kriter would storm* past her as she picked up the trade winds and began the slalom through the roaring forties. In Sydney Kriter's skipper Olivier de Kersauson said that when he had heard of GB II's decision to cut the corner, "I was so angry I *didn't want to talk with you.*" Asked by Mike Gill if he had heard them trying to raise Kriter on the radio he replied, "Oh yes, but I was far too annoyed."

Eventually there were six hours and 28 minutes between *the two boats, a margin* not unknown between two class-one boats in a 220-mile race in the Channel.

The first leg is not yet over. Two more boats are still racing through the southern Indian Ocean, Italy's CS e RB II and The Great Escape. Both crews asked for *news of them* immediately they got ashore but it will be some time yet before they join the two bigger boats in Sydney.

Bruise a metre square

The first job for Kriter will be to get her out of the water to have a good look at the damage caused by hitting the whale. "It was like running a bicycle into a brick wall," was how one crew member described the incident, but the damage is not reported to look too bad. The bow is unaffected but just aft of the bow *there is a nasty* crease blossoming into a bruise a metre square. White paint is showing for a further 15 feet aft through the dark blue top coat, with some alloy plates bent.

It is the furrow by the bow which caused the leaks but these *were contained by a watertight* bulkhead designed against damage from icebergs.

It is not the superficial damage that is worrying but whether the whole structure of the boat has been affected. The bow holds the vital forestay to the mast, which, if it were ever to give would almost certainly mean the loss of the mast, the rigging *and some sails as* these things always seem to happen at the most awkward time.

Another problem for Kriter is the continual condensation which dripped on bunks, clothes, sleeping bags and anything else from the unlined alloy deck head in the cabin. Although these *repairs* could prove costly for Kriter's sponsor, Oliver de Kersauson *is determined to* see that she starts the second leg in *the best possible shape* and feels he will have both his crew and his boat in a far better state of preparedness than when she left London.

For GB II there are two main problems. The first is finding the money for some new sails, but already it looks as though *there will be some support from* this country and that she will have *practically a new suit* before she starts the second leg. Her other problem is to get the new crew worked up to the same state of race keenness, though in this they will be driven hard by the second leg skipper Roy Mullender.

At least Kriter starts with the advantage of nearly 30 hours gained on handicap for the first leg time. So on handicap the Joint Services crew will have it *all to do and with the trip* round the Horn the second leg should be at least as exciting as the first.

Letters to the Editor

Import controls

From Mr D. Stanworth

Sir,—May I suggest a more radical approach to the question *of import controls*? This could take the form of a high level of taxation relief applied to British manufacturers—the relief being recovered at a later stage through a turnover tax on distribution and retailing.

This change in taxation emphasis would automatically make British made goods more competitive with the imported product—especially in the eyes of the wholesale/retail buyer. In addition, this method would ensure that *all goods* sold carried a fair share of the taxation burden.

There should be no need to apply import restrictions—simply the creation of more equal competition on the home market. I feel this system, if used, would do much to assist the textile and motor industries who at the moment are under heavy pressure from imports.

David F Stanworth.
1, The Acres, Whiteacre Lane, Whalley, Nr. Blackburn, Lancs.

Export staff

From the Managing Director, Executive Search

Sir,—Reviewing assignments of the past 10 years, I was surprised *at the small proportion* of export appointments we had been asked to fill. Considering the importance of overseas trade to Britain's livelihood, this struck me as disturbing. Closer examination revealed that first-class export executives were difficult to find and not well-rewarded compared with their opposite numbers in the home market.

This is cause for alarm. Unless the country has a good stock of men and women skilled in overseas marketing, able to operate at the sharp end, motivating agents, *training distributors* and even making sales themselves, people with a command (meaning reasonable fluency) of one or two languages who can immerse *in a foreign market* as they would at home, executives who are properly paid and given the necessary authority to influence the products they have to sell, how will we compete successfully overseas?

The fact is that we have been steadily losing existing international market share and have been slow to develop new opportunities. With so much at stake and so much to be gained in the markets of the world, now is the time for every company *in* the land to examine its export conscience and launch a new drive to develop overseas business.

J. M. Reid.
8a, Symons Street, Sloane Square, S.W.3.

Company wife

From Mrs. S. Cameron.

Sir,—I wouldn't like to disappoint Bob Crew by *not* reacting to his article on the "Ideal Company Wife" (October 27). It was such a splendid piece of male gossip, guaranteed to keep him out of I.B.M. for life.

So Bob Crew, and dear male readers of the FT, keep your eyes closed, keep your delusions of grandeur—we new-type, non-company wives don't mind. If you're part of an organisation that wants to control you, body and soul, we wouldn't have dreamt of marrying you in the first place.

Sue Cameron.
Hamm Slaithe, Hamm Court, Weybridge, Surrey.

Farm policy

From Mr. H. Lea.

Sir,—Reference "More than 1m. tons of skimmed milk powder" (cost of Farm Policy October 29). The price of skim *milk powder to manufacturers* and others has just been advanced to over £500 per ton; are we standing on our heads or burying them in the sand, in *regard to escalating surplus sup*plies of this magnitude?

Goods are produced to sell: if supplies are more than demand then accumulation is bound to *occur. Whatever the cost of* production, disposal must eventually be achieved, normally through the price mechanism.

Butter was sold outside the EEC at *a fraction* of the production cost; is this to happen with skim milk powder or any other commodity accumulated in excess of demand? Possibly it is time that the deficiency payments *successfully applied to* grain for so many years, was examined to see if a similar method could be introduced in regard to skim milk powder and *any other surplus supplies.*

Herbert Lea.
Wheelock Mills,
Sandbach, Cheshire.

Newsagents

From the Joint Secretary, National Association of Wholesale Newspaper Distributors.

Sir,—I am afraid that the Commercial Secretary of the National Federation of Retail Newsagents in his letter (October 30), complaining about two misleading references in the article on the Scottish Daily News is himself misleading.

He states, "The Newsagent in his shop most emphatically does *not enjoy a discount of 37.8* per cent. from the Scottish Daily News, nor any other National newspaper. Mr. Baur can only be referring to a wholesaler."

Mr. Peters should know that wholesalers as such do not receive this percentage. Considerably more than one-half of the distribution discount goes to the retailer; *nor do wholesalers* normally receive two or three months' credit from publishers as Mr. Peters implies.

Wholesalers have no wish to *start arguments with retailers* but facts are fact, and fair is fair!

J. H. Brockett.
*Regent House,
89, Kingsway, W.C.2.*

Tory strategy

From Mrs. Ann Finucane.

Sir,—Like Lt. Cdr. Paulley (October 28) I am a supporter of the education voucher, and would hope that the Conservative Party would *strongly sup*port trials in representative regions, with the object of ascertaining if it truly fulfils its function of increasing parental choice and responsibility (as I believe it will). However, the voucher is a means not an end, and I would ask no more of the Tories than their wholehearted backing for experiments.

At this time it is the job of the Conservative Party to work out policies, which relate to its philo*sophy of freedom and individual* responsibility, in a large number of areas, without shackling itself too closely to administrative means. Nineteen seventy-eight is a considerable distance away, and what counts in determining a course of action is political will.

Areas in which the Conservative Party might examine its aims and strategies are devolution (I would agree wholeheartedly with Mr. Rogaly that to make Government more sensitive to the governed, and more easily influenced is a major task of the late 20th century); and following from devolution, the right functions of central Government; the nature and posssible successful working of co-operatives; the freeing of the housing market, and the compulsory nature of education.

The Conservative Party must always uphold consumer freedom against the vested interest of producers, purveyors and administrators. We have a chance to break free from the *19th century legacy of paterna*lism and centralisation. The Tory Party is, I hope, engaged in mastering the controls of the appropriate bandwagon—not *trying to jump on it as it already* moves off.

Ann Finucane.
*23, Hardinge Road,
Ashford, Kent.*

Retail Price Index

From Mr. G. Foster.

Sir,—With reference to the Lex column, and also Mr. Kovach's letter *(November 3)*, may I draw your attention to "Employment News," the Department of Employment newspaper issue number 25, which has a *two-page spread* on the Retail Price Index explaining that it was set up by Parliament to reflect the cost of living. Now, apparently, the Government is *decreeing that it shall cease to* perform this function. Further, is there not a possible breach of contract involved *vis-à-vis* the SAYE *scheme? The prospectus* for it says that "Your savings are protected," and this implied guarantee seems to be ignored.

G. M. Foster.
4, Napier Avenue, S.W.6.

Giro incorporated

From Mr. W. Keir

Sir,—To save postage would it not be a good idea to incorporate bank *giro credit forms* in allotment letters in future?

W. B. Keir.
"Orwell."
Upper Smollett Street,
*Alexandria,
Dunbartonshire.*

Construction

From The Assistant General Secretary, APEX.

Sir,—The Government's plans for the construction industry as reported in the Financial Times *(October 29) are most welcome.* Last month APEX, the industry's major white collar union, published a comprehensive 10 point programme for the revitalisation of the industry, going far beyond what the Government is proposing.

The construction industry to-day is suffering from a combination of *external economic* problems and internal organisational deficiencies. On the one hand inflation and recession have led to record unemployment, *now approaching 200,000, and* record bankruptcies which to-day account for 20 per cent. of all bankruptcies in the U.K. On the other hand, the fragmented *structure of the industry* leaves it peculiarly vulnerable to changes in the level of public expenditure and unable to sustain the level of activity which the economy requires *of this* key sector.

The APEX *programme* contains a series of proposals to enable the industry to overcome these problems and plan its future effectively. In particular, we want the industry and Government to approach the EEC for assistance. The Government for its part should commit itself to a high and stable level of public expenditure on construction projects and set up a *National Construction and Pro*curement Agency to co-ordinate the industry's future development. Most fundamentally, however, we believe that the time is now ripe for an inquiry into the control, structure, and financing of the construction industry. All of us involved in the industry have a right to expect that the construction industry's own house can be put in order so that the present disastrous situation *is never repeated.*

Ray Edwards.
*22, Worple Road,
London, S.W.19.*

Long is wrong

From Mr. A. Morrison.

Sir,—Long is wrong, whether it is too long delivery times or too long order books.

Many years ago I read about a company working to full capacity, and with a night shift, on the manufacture of small motor-vans which it sold direct to small tradesmen and shopkeepers. One day *the works manager* examined the order book. He was alarmed to find that the company had orders for only three weeks' work at the then current rate of production. He passed on his panic to the sales manager, and all the salesmen were told they must get a lot more orders, to build up the order book to a much higher level.

After several weeks of hard work the sales force had pushed up the order book to five weeks and could raise it no further. They *found* that their customers were most reluctant to accept a delivery of more than three weeks and none of them would place an order for a van if it *could not be delivered within* five weeks.

On looking into the matter the company found that an order book of three weeks had always been *normal*. So they stopped worrying and kept on working to full capacity as before.

Communities do not come to a full stop overnight. Prompt *and shorter deliveries* get the orders.

A. W. Morrison
*68, Dundrennan Road,
Glasgow.*

The Government faces a crisis over Chrysler. Terry Dodsworth pinpoints the weakness of the corporation's worldwide position, while Geoffrey Owen considers the options open to the Cabinet

The problem road that Chrysler has followed

THE CHRYSLER crisis has provided the British Government with a conundrum in which the need to preserve jobs, boost exports, and defend a vulnerable home market against importers has to be assessed and weighed against the pressures on Government spending. The problems of Mr. John Riccardo, Chrysler Corporation's chairman, are much more precisely measurable. The U.K. company is the sickest of Chrysler's overseas operations. It lost £16m. in the first half of this year, following a £17m. loss in 1974, has been in deficit for seven years out of the past 11, and has now built up total losses of about £65m. since Chrysler took its first interest in 1964. At the same time it has drawn heavily on Chrysler Corporation to tide it over its difficulties to the tune of a total cash injection in Britain by the U.S. parent estimated at well over £50m.

Market changes

These figures may look minuscule beside the $232m. loss which the U.S. company has just announced for the first nine months of this year, particularly as Chrysler U.S. is no stranger to financial strains: it ran into difficulties in the early 1960s and again in 1970, when it lost $25m. in the first quarter. But the present difficulties are on a different scale. They occur against the background of an entirely changed fuel situation which is forcing a rapid and expensive readjustment on car manufacturers.

Chrysler has been particularly hard hit in the U.S. by the consequent changes in the market. This year, it has embarked on an extremely expensive scheme of rebates on new car sales, but its turnover has still slipped (from $8.5bn. to $8.4bn. over the first nine months), and it is continuing a capital spending programme which is running the company deeper into debt.

Mr. Riccardo spelt out bluntly what the group's difficulties mean to the overseas businesses at his now famous Detroit Press conference on October 29. In effect, because the company is cutting costs and raising cash wherever it can, the policy of overseas expansion on which the company embarked in the 1960s is in doubt: if a company becomes a continuing drain on the parent concern it will have to go. On this criterion, the U.K. is clearly the most vulnerable concern, but Chrysler has experienced plenty of difficulties with its overseas empire elsewhere. Market by market, indeed, *Chrysler seems to have suffered more from the oil crisis* than its rivals. Taken together, the following picture emerges.

France (first investment, 1958): Although Chrysler France (Simca) is the largest overseas operation in terms of output, it is the smallest of the *big four French car makers*. In the first eight months of 1975 it took only 9.1 per cent. of the French market (against Renault's 32.2 per cent., Peugeot's 19.1 per cent., and Citroën's 18.9 per cent.). This was far better than the 8.2 per cent. of 1974 but still below the 10.1 per cent. of the previous year. There was a loss of Frs.71.8m. (£8m.) in 1974, with car output dropping to 440,000 (555,000 the year before; these figures differ from those on the accompanying chart because of accounting changes in 1973). Recovery to a large extent depends on exports (where the company is doing well), and the new 1300 c.c. to 1400 c.c. 1307-1308 range (to be sold as the Alpine in the U.K.), which will lift the weight off the dated 1100 model.

Spain (first investment 1963): The Barreiros business needed heavy injections of cash for several years but moved into profit last year, and is now a strong contender in the Spanish truck market. In the car market it ranks number three after SEAT and FASA-Renault.

South Africa (first investment 1950): Chrysler's position in South Africa's highly competitive market (17 manufacturers chasing total car sales of about 220,000 a year) has been slipping for the past five years. In 1974 the company accounted for 7.32 per cent. of the car market and 1.74 per cent. of the truck market. In the first nine months of 1975 it fell to seventh place in car sales, with 5.9 per cent. of the market, and was tenth in trucks with 2.21 per cent.

Australia (first investment 1951): Here again Chrysler is the smallest of the big three manufacturers, trailing behind GM and Ford. It has also been hit hard by Japanese competition, with Toyota taking third place in the sales league and Nissan (the manufacturer of Datsun cars) the fourth. Chrysler's profit dropped in 1974 from $A3m. to $A2.5m., and the company plunged into loss in the first half of 1975 with a deficit of $A2m.

Argentina (first investment 1965): Chrysler managed to increase its market share to 10 per cent. so far this year against 8 per cent. in 1974, and has sold more trucks than both Ford's and General Motor's subsidiaries together. Export sales are also doing well. But a U.S. $20m. facility has been drawn on this year, though part of it, according to Mr. Riccardo, was for the U.K.

Brazil (first investment 1966): Chrysler's Brazilian operations, never large, have suffered a further decline this year, with total production dropping by 47 per cent. to 27,000 vehicles, and its market share slipping to 21.1 per cent. of total car, van and lorry sales in September.

Chrysler's problems in all its markets seem to be partly related to its size. In the U.S., despite good profits at times (in 1973 it declared profits of $255m.) it has usually been regarded by analysts as a "marginal" concern—vulnerable to sudden dips in the market or a small loss of market share, though able to make profits when times are good. In terms of domestic production it is no longer an outstandingly large company, producing 1.177m. cars and 362,000 commercial vehicles in the U.S. last year against 3.586m. and 1.087m. respectively by *General Motors* and 2.205m. and 893,000 by Ford. Its overseas operations tend to be smaller than those of either General Motors or Ford as well.

CHRYSLER'S WORLDWIDE PRODUCTION

CARS, TRUCKS AND TRACTORS, BY AREA OF MANUFACTURE

	1974	1973*	1972	1971	1970	1969	1968	1967	1966	1965
TOTAL U.S. AND CANADA	1,782,285	2,230,014	2,013,470	1,778,311	1,713,672	1,771,480	1,972,871	1,723,111	1,766,734	1,763,302
France	412,137	546,779	494,019	439,543	368,457	354,211	315,177	256,340	277,960	248,494
Britain	275,014	336,505	306,405	298,506	242,465	195,558	218,710	203,312	24,768	5,017
Japan†	105,887	58,171	59,003	51,323	4,347	—	—	—	—	—
Spain	73,979	80,135	54,820	39,095	46,954	44,039	43,237	2,512	—	—
Mexico	61,555	48,548	44,594	—	—	—	—	—	—	—
Australia	55,322	69,863	46,830	49,731	52,054	56,018	50,972	47,818	47,483	45,228
All Other Countries	70,634	79,816	50,783	34,738	31,387	25,299	22,901	18,710	17,079	14,483
TOTAL OUTSIDE U.S. AND CANADA	1,054,522	1,219,817	1,056,454	912,936	745,664	675,125	650,997	528,692	367,290	313,221
TOTAL WORLD-WIDE	2,836,807	3,449,831	3,069,924	2,691,247	2,459,336	2,446,605	2,623,868	2,251,803	2,134,024	2,076,523

† Mitsubishi Motor Corporation; Chrysler has 15 per cent. stake. * 13-month period for subsidiaries outside U.S. and Canada.

Chrysler arrived on the *international car scene much later* than either Ford or General Motors, both of which were established in the U.K. by the 1920s and have gone on from there. Its limited size overseas partly derives from the kind of companies it was forced to buy by coming on the scene so late.

None of its three acquisitions on which Chrysler was to base its strategy in Europe, the second most attractive market in the world after North America, was particularly strong. Barreiros was not an effective force in the Spanish truck market, while its cars were a long way behind the Fiat-designed SEAT models. Simca had no distinctive model range when measured against the closely defined products of Renault or Peugeot. Rootes in the U.K. had a variety of marques—Humber, Hillman, Singer and Sunbeam, and Commer *in commercial vehicles* but no clear identity.

Similar

In many ways, the troubles which have dogged the development of Chrysler U.K. are similar to those hitting the parent company in the U.S. In both markets, Chrysler is very much a minor force, never taking more than 18.5 per cent. of the U.S. market or achieving more than 14 per cent. in the U.K. even at the height of the Avenger's success. Yet it has attempted to follow the broad marketing strategy of its two major rivals, planting itself firmly in the mainstream of popular volume car production, and trying to emulate their strong truck manufacturing interests.

Chrysler's development difficulties on this front are graphically illustrated in the U.K. Its *best-ever production over 12* months out of its U.K. factories was about 281,000 cars in 1971. Last year it made only 260,000. Yet Ford produces 175,000 Escorts a year at its Halewood plant, while it has been argued that the optimum size for an assembly operation is about *100,000 more.*

Since Mr. Riccardo and his present number two, Mr. Eugene Cafiero, became influential figures, Chrysler Corporation in the U.S. has followed a model rationalisation programme which goes some way towards the specialisation needed *to avoid full* confrontation with the giants.

This policy has prevented debacles such as the rush to follow Ford's highly successful Mustang, which produced two unsuccessful vehicles, the *Plymouth Barracuda* and the Dodge Challenger. But at the same time it has led Chrysler to ignore the possibilities of the American sub-compact market (based on cars roughly the size of a European medium-sized model), the one big growth sector in the U.S. at present, and into a costly $330m. programme to redesign its big car range.

In 1970, when subcompacts had only 5 per cent. of the U.S. market and the Honda Civic and Volkswagen Golf were scarcely on the drawing board, no one could have predicted that by this year small cars would be taking 27 per cent. of U.S. sales. But given that Chrysler had done so well with its compact range—the Dodge Dart and Plymouth Valiant—which have sold strongly in the U.S. and Australia for the past ten years, it seems odd that the company should not have gone further down the market. Instead, in the middle of the oil crisis last year its new big car range flopped on to the market.

The rapid changes in car-buying practice now taking place in the U.S. (in California, for instance, importers have taken up to 40 per cent. of the market) demonstrate Chrysler's current weakness as the junior member of the big three. While Chrysler has remained hesitant about going for smaller models (it has talked of having a model ready for 1977, equipped with a European-designed four-cylinder engine), GM and Ford, equally cautious for a number of years, are now moving rapidly to reduce the size, weight and petrol consumption of their cars.

Combined

GM's new Chevette, for example, owes its development to engineers and designers in Europe, Brazil and Japan, as well as the U.S.: the combined resources of the group have been used to produce a model with a basic common theme, but developed in specific markets to *suit local* conditions.

Chrysler has nothing like the strength overseas to emulate these policies, although for a while it imported the U.K.'s Avenger model into the U.S., and is now bringing in Colts from Japan, made by Mitsubishi in which it has a small stake. *Instead*, Chrysler is faced with the problem of its U.K. business and making profits in Europe with or without it.

Terry Dodsworth

Three choices before the Government

EMPLOYMENT and the balance of payments—these are the Government's main concerns in the Chrysler crisis, as they are in most "lame duck" situations. Chrysler employs just over 25,000 people in the U.K., mainly in the Midlands and in Scotland. Its exports have been running at about £100m. a year and the loss of its special position in the Iran market would be a serious blow for the U.K.; largely because of Chrysler's shipments of KD (knocked-down) units to the Iran National assembly plant, Britain's car exports to Iran in the first nine months of this year amounted to £70m., compared with £78m. for the whole of the EEC and £86m. for the U.S. Finally, there is the danger that most or all of *Chrysler's share of the U.K.* market could go to imports.

There are three basic options open to the Government. The first is to buy the U.K. company from its American parent and merge it into British Leyland. The arguments against this course are so obvious that they are *hardly worth spelling* out. British Leyland already has too many employees and too many plants; the last thing it needs is to be saddled with Chrysler's factories, some of which are at least as obsolete as those of British Leyland and have labour problems at least *as intractable*. Such a merger would also be a fatal blow to the delicate compromise recently worked out by British Leyland management and unions on the new system of worker participation.

Public money

The second option is to inject a large sum of public money into Chrysler U.K. (there have been suggestions of at least £100m.) and to keep it going in roughly its present form, with the Government presumably holding some of the equity and the U.S. parent the rest. The arguments against this option are no less compelling. After ten years of struggle the American company has failed in the U.K.; not enough people want to buy Chrysler cars.

There is no more reason for the *taxpayer's* money to be used in rescuing Chrysler U.K. than there was when Litton Industries closed down Imperial Typewriter last year; that was another case where an American "giant" had bought a British company, failed to make a success of it and eventually had to admit defeat. If the Government has £100m. available (which is itself questionable), the worst thing it could be spent on is a foreign-owned failure.

There is the further point that the European motor industry is at present suffering from serious over-capacity and this is likely to last for a number of years. By deciding to back British Leyland the Government is already taking a great risk; it is by no means certain that BL will be one of the survivors in the competitive struggle which is in prospect. To back a second and much weaker horse would be foolhardy in the extreme.

The third option for the Government is to make it clear to Chrysler that no public money is available and that the company must work out its own salvation. This does not mean, of course, that the Government stands aside and does nothing. While ensuring that not a penny of taxpayer's money goes to Chrysler itself, the Government is bound to do whatever it can to minimise the hardship involved in any redundancies. It is bound, too, to make every effort to preserve for the U.K., if not for Chrysler, the valuable export business in Iran.

CHRYSLER IN BRITAIN

Plant	Workforce
Stoke	4,355
Ryton	4,300
Whitley	1,680
Other Midlands	1,975
Dunstable/Luton	2,807
Linwood	6,956
Maidstone	571
Others	579
TOTAL	25,223

What would happen to Chrysler's market share? In the first nine months of the year the company held just under 7 per cent. of the market, though in recent months the figure has been lower. British Leyland has been taking some business away from Chrysler and, given adequate supplies of its own vehicles, BL could reasonably hope to gain a substantial slice of Chrysler's market share if the American company ceased production here; the Marina, for instance, is a direct competitor of the Avenger. But some of it would undoubtedly go to imports and there is no way of preserving exclusively for British manufacturers the Chrysler dealer organisation.

British Leyland, despite recent pruning, still has too many dealers of its own while there may be scope for replacing a bad BL dealer in a certain area with a good Chrysler dealer, British Leyland could not dream of taking on Chrysler dealers in large numbers. Vauxhall might be in a different position if, as some believe, General Motors is at last getting its U.K. organisation sorted out and planning for a substantial increase in penetration, it might wish to reinforce its network from among the Chrysler dealers.

Many Chrysler outlets, however, will switch to imports and the Government can do nothing to prevent it. They are already selling the French-built Simca range made by Chrysler France and this is one of the more successful imports; its penetration is about the same as that of Volvo. With a bigger marketing effort Simca's share could be pushed up to say, 2-3 per cent. and if it was supplemented by non-competing models such as the BMW it could provide an adequate volume for the dealer to live on.

On exports to Iran, on the other hand, the Government may have some role to play. Although Iran National is gradually becoming more self-sufficient (it has its own foundry and machining facilities) it is still dependent on Chrysler (and other U.K. suppliers) for a number of key components and for continuing technical support. Switching to another supplier (Fiat and others have been considered in the past) would cause a good deal of disruption; although the volume of exports will gradually diminish over the next five years, there is, for the moment, a degree of dependence on the U.K. which cannot easily be dispensed with.

Interest

The Shah of Iran expressed an apparently genuine interest in helping British Leyland, which is an important supplier of commercial vehicles and engines to Iran. Although that offer was not pursued, *it is at least* possible that the Shah might consider some form of participation in Chrysler U.K.—or at least in the Stoke engine plant which is the main supplier to Iran National—for the sake of continuity of supply. There is no obvious reason why the Shah would want to prop up Chrysler U.K. as a whole and even on the Stoke plant he may prefer simply to buy the machinery and ship it out to Iran. Nevertheless, there may be enough common interest to form the basis for some Iranian involvement, which would inevitably entail government-to-government discussions; it might not save any jobs, but it could preserve some of the export business.

Whether British Leyland could participate in such a deal is doubtful. BL executives have had a number of discussions in recent years both about the possibility of setting up a separate car manufacturing operation in Iran and about displacing Chrysler within Iran National. They will no doubt wish to explore the situation again in the light of the new situation in Chrysler. But if the price of getting the Iran business was the taking over of the Stoke plant, the price might be too high. British Leyland has ample engine capacity of its own, much of it in need of modernisation; most of the facilities at Stoke are too old and badly laid out to be of much interest to British Leyland.

This, of course, is the most *obvious problem in the Chrysler situation*—who would want to buy the plants, least of all with their present workforce and their history of labour relations bitterness? It is just conceivable that the assembly facilities at Ryton or Linwood might be of interest to one of the Japanese producers. Both Toyota and Datsun are believed to have been giving careful consideration to the possibility of investing in vehicle production, or at least assembly, in Europe. This is not because they want to do so—they would much prefer to go on shipping from Japan—but they recognise that the political hostility caused by their rapid gains in market share could be reduced if they made a direct contribution to investment and employment in Europe.

The point is that the Chrysler plants have a value and there is no reason to suppose that they will not eventually find buyers. The Ryton plant, in particular, is modern, well-equipped, and well-sited. It could well be of interest to British Leyland, not as an assembly plant (BL has plenty of final assembly capacity), but for manufacturing components and sub-assemblies. The BL management has been anxious for some time to reduce the congestion at Longbridge and to a lesser extent Cowley; plans had been drawn up for transferring some of the operations to a new site at Redditch, where they would have the elbow room to lay out the plant efficiently and achieve the highest possible productivity. The Redditch project has been on ice for some time and Ryton might be an alternative—if it could be bought at the right price and under the right conditions.

Again, the Luton and Dunstable truck plants should be saleable — not to British Leyland, which has too many separate truck-making locations of its own, but to other companies in the industry or to component suppliers.

Contraction

With the possible exception of Linwood, which is likely to pose the trickiest social and political problems for the Government, the employment consequences of the demise of Chrysler U.K. need not necessarily be as disastrous as at first supposed. At this stage it is not even certain that, if refused Government aid, Chrysler would immediately proceed to shut down all its facilities in the U.K. It presumably intends to stay in Europe, at least for the time being, and it may wish to keep a U.K. manufacturing base of some kind. A very considerable contraction of its activities, nevertheless, would be inevitable, and the management of the U.S. parent is doing its best to frighten the Government into providing support. It is a form of arm-twisting which should be resisted.

Geoffrey Owen

COMPANY NEWS + COMMENT

Wolseley-Hughes near £0.5m. advance

AFTER A marginal decline at half-time, **Wolseley-Hughes** has turned in profits of £3.74m. for the year ended July 31, 1975, a rise of £0.46m. over the previous 12 months.

The directors describe the outcome as "considerably better than could reasonably have been expected a year ago." It stems from efforts to increase sales, to reduce working capital, and to control costs.

Earnings are given as 15.84p against 14.36p per 25p share. The final dividend is 2.0775p for a net total of 4.3356p against 4.0627p.

	1974-75 £000	1973-74 £000
Sales	62,597	56,299
Trading profit	4,392	4,022
Associates loss	3	*26
Interest paid	635	772
Profit before tax	3,741	3,276
Corporation Tax	2,022	1,742
Minority	25	16
Extra ord. credits	47	60
Pref dividend	6	6
Ordinary share	1,732	1,572
Dividend	461	432
Re-invested	1,271	1,140

* Profit.

Overdrafts have been reduced from £4.54m. to £289,187. In addition to deferral of tax payments, through stock appreciation relief, close control of working capital and a lower level of activity have all played a part in improving the cash flow from £1.95m. to £2.14m.

Borrowing requirements will increase when business conditions improve. The directors do *not envisage any difficulty in* obtaining adequate finance for development.

Group activities include central-heating and distribution, agriculture and gardening equipment, and engineering.

● comment

Wolseley-Hughes is 14½ per cent. ahead pre-tax. But that masks an upturn *of close on* one-third in the second half, a quarter of which can be attributed to reduced interest charges with the rest stemming from wider margins. The divisional performances are engineering and agriculture up, but static profits in heating/distribution (almost 70 per cent. of the total in 1973-74). Demand this year remains patchy. *But the group has at least cleaned* out its debt, reducing borrowings by £4¼m. to just £290,000. Stocks are down about £¾m., a favourable twist in the debtor/creditor ratio is worth something like £1¼m. and the group has been taking a fairly ruthless look at its distribution operations. The shares rose 4½p to 107½p yesterday where a yield of 6.6 per cent. is covered 3.6 times. Last published net worth was 143p.

HIGHLIGHTS

A good rise in the second half, after a marginal decline in the first, has enabled **Wolseley-Hughes** to report full-year pre-*tax profits up by nearly £½m.* Less bright, however, are the results of **Lister and Co.** which has not escaped the textile recession and turns in profits down sharply. At the half-way stage **Teacher (Distillers)** has put up a good performance with profits higher by a tenth (excluding surplus sales in the corresponding period) and there are bright *half-year figures*, too, from **Photax**; but **Silhouette** has suffered a downturn and **British Anzani** (see Lex) has swung heavily into the red.

Williams Hudson to improve

A MODEST improvement during the current year, and a return to "more normal levels of profitability" within 18 months to two years, can be looked for at Williams Hudson Group.

This was the message Mr. David Rowland had for shareholders yesterday at his first annual meeting since taking over the chairmanship in April.

Mr. Rowland said he was confident as to the long term prospects of the group, and while giving no positive forecast for this year, he was at least looking for an improvement.

Group borrowings since the year-end were down by £4m., Mr. Rowland reported.

At the meeting he disclosed that the group had just concluded an agreement to dispose of *its loss making U.S. activities.* Certain property assets there had been retained and these were expected to make a profit, he added.

Teachers looks for profit rise

CURRENT YEAR profit of Teacher (Distillers) should exceed the £1.81m. achieved in 1974-75, which included nearly £0.4m. profit on the sale of surplus whisky stocks, the directors forecast in their interim statement.

Without the benefit of this time of any surplus profits, the first half ended July 31, 1975 has produced profits down from £1.2m. to £0.88m.

But during the second half, price increases both at home and overseas, together with stringent economies throughout the group, *will improve previously* inadequate margins; and they anticipate higher profits for the year.

In the first half total turnover (net of excise duty) was ahead marginally. Buoyant home demand was largely offset by a depressed situation in the U.S. where the economic recession has led to a general down-trading to low priced "Bottled in USA" brands.

An unchanged interim dividend of 2.1p net is declared—total for 1974-75 was 3.2154p.

	First half 1975 £000	1974 £000	Year 1974-75 £000
Profit	885	907	1,420
Surplus stocks	—	394	394
Profit before tax	885	1,301	1,815
Taxation	392	610	1,082
Net profit	493	541	733

● comment

Teacher has been the outstanding whisky share this year. An increase of a tenth in interim pre-tax profits (excluding profit on surplus stock disposals) and the *prospect of 80 per cent. or more* gain in second half profits to around £1m. put the shares up another 4p last night to 214p, where the yield is 6 per cent. This improved outlook is an indication of the impact on niggardly margins of four DCL-led price increases this year. U.K. industry volume was running roughly a tenth higher in Teacher's first half (thanks to a jump of 86 per cent. in April) and still seems firm enough. But the U.S., where markets fell by over a quarter, is still a clear drag on performance. The recent move to increase borrowing limits from £13.88m. to *£16.19m. (borrowings of £13.31m.* in January compared with shareholders' funds of £8.25m.) raises the obvious point about funding arrangements. So memories of Long John, as well as trading performance, are a firm prop for a prospective p/e of 9.2 in a highly rated sector.

Good year ahead for Adwest

BARRING a further deterioration in the U.K. economy, the directors of the Adwest Group (automotive, electrical, agricultural, industrial and engineering products) looked forward to another successful year in 1975-76, chairman Mr. F. V. Waller told the annual meeting.

Referring to Sealed Motor Con*struction, acquired in the summer,* Mr. Waller said considerable reorganisation had taken place there, but it was now clear it would not be able to contribute in *the current year to group profits* in line with expectations formed on the *basis* of estimates given by its Board.

However, SMC was now operating at a profit and the chairman was satisfied the business had a reasonable future.

Mr. Waller reported that the rest of the group had started the financial year well with turnover *and profits for the first quarter* ahead of last year.

Lister drops to £0.79m.

AFTER BEING down from *£724,000 to £528,000 at halfway*, the Lister and Co. textile group has ended the year to March 31, 1975, showing a sharp fall from £1,442,000 to £792,000 in taxable profits.

Stated earnings per 25p Ordinary share dropped from 7.77p to 4.04p. The net dividend total is held at 2.45p with a final recommendation of 1.575p—certain large shareholders have waived rights to the final aggregating £43,453.

	1974-75 £000	1973-74 £000
Group turnover	26,560	26,569
Trading profit inc. inv. inc.	2,037	2,517
Depreciation	531	454
Directors' remun.	118	113
Interest	574	516
Auditors' remun.	10	10
Assets sale loss	12	*18
Profit before tax	792	1,442
Tax	109	198
Outside interest	5	3
Attributable	678	1,239
Pref. dividends	21	21
Ordinary†	357	362
To reserves	301	856

*Profit. †After waivers £43,000 (£22,000).

● comment

Despite its involvement in several specialised areas (velvets and fur fabrics) Lister has been unable to avoid the effects of the general textile downturn and a 64 per cent. slide in second half profits has left the annual pre-tax level 44 per cent. lower before tax (after adjusting for loss on sale of assets). Sales volume dipped sharply last year when price increases were severely restricted by the high level of competition *from overseas manufacturers.* The group has already been able to assess its profits for the first six months of 1975-76 and so far there has apparently been no sign of any real improvement in the order position. Lister is hoping that recent streamlining of labour and new equipment installed over the last two years, at a cost of about £2½m., will help bring profit *margins under control before the* year-end. However, a real recovery still seems dependent on a general upturn in the textile cycle and a yield of 12.4 per cent. at 32p is suitably cautious.

British Debt loss cut to £0.36m.

ANNOUNCING A reduced loss before tax *of £364,284 against* £637,649, for the year ended June 28, 1975, Mr. John Bentham, chairman of British Debt Services, says that while conditions remain difficult, expenditure has been cut by £503,196 during the year with a corresponding reduction by £233,685 in index income and collection commission.

Bank borrowings have been reduced by £143,798 to £983,436.

The group's new service, under which debts are recovered by collectors making weekly calls at debtors' homes, is expanding satisfactorily, the chairman says.

The County Court fees order which became effective on October 1 increases the overall cost of processing actions in the County Courts, and means that the group's outside collection service is more attractive, Mr. Bentham points out.

There is no dividend, compared with 1.4p net per 10p share—interim only—for the previous year.

At half-way when reporting a pre-tax loss of £248,552 (profit £132,197) the chairman said expenditure was constantly being reviewed and all necessary steps to economise were being taken.

	1974-75 £	1973-74 £
Group sales	2,443,950	2,470,799
Pre-tax loss	364,284	637,649
Tax credit	101,576	137,073
Net loss	262,708	500,576

● comment

The move to new debt collecting techniques is taking longer than *anticipated to get off the ground* and the second half recovery at British Debt Services has not really materialised, although the scale of losses has been reduced. However, some five months into the current year BDS has at last reached a break-even position but volume of business is lower in certain areas while the increase in the charges for debt records could cost the company about £72,000 net in a full year. Still, the move into the commercial field has met with some success while the door-to-door collecting is poised to repay the heavy start-up costs. In the meantime, BDS may be forced to make some capital reorganisation, for the last two years of losses has trimmed *reserves to an absolute minimum.* Pending the outcome of this the shares, at 11½p, have a limited short-term speculative appeal.

Photax first half expansion

FIRST HALF 1975 sales of Photax (London) expanded from £1.2m. to £2.04m., and profit advanced *from £128,000 to £220,000, subject* to tax of £114,000, against £66,560.

The increase in VAT, together with the worsening economic situation, has resulted in a slowing down of trade since June.

However, sales in the first four months of the second half are approximately 8 per cent. higher than in the same period last year, the directors state.

The interim dividend is lifted from 1.0336p to 1.05p net per 25p share. Last year's total was 2.04835p from a profit of £234,282.

● comment

A bumper first half from Photax was a reasonable expectation bearing in mind the boost to sales by pre-Budget buying and the time lapse of implementing 25 per cent. VAT. However, a 72 per cent. jump in pre-tax profits was better than could have been anticipated. Understandably the current period *has seen sales come off the* boil and a modest 8 per cent. value increase to date must take in quite a slice of volume decline. Photax is currently in its busy period for manufactured goods—viewers and screens—and reports satisfactory trading, but perhaps the real crunch will materialise next year when the sales season for its up-market imported cameras really *gets under* way and these could suffer from reduced consumer spending power. However, at 32p the yield of 10.2 per cent. has an eye on the possible difficulties, but the dividend is already covered by *interim earnings 2½ times so it* looks safe.

Silhouette margins eroded

ON SALES up some 15 per cent. from £4.6m. to a record £5.31m., first half 1975 group pre-tax profit of Silhouette (London) decreased from £342,677 to £213,573.

The continuing recession in the industry, combined with escalating costs, once again eroded *margins* throughout the group, reports the chairman, Mr. T. Blumenau.

Whereas he would anticipate a further growth of sales in the second half, restrains of price control—particularly onerous overseas—and continuing pressures of margins at home are such that he cannot see a substantial improvement in profitability while *the present* inflationary situation continues. Overheads have radically been reduced, but he stresses that most of the profits are made in the first half. Profit for the year 1974 was £275,270 on a turnover of £9.17m.

The half year profit was struck after £39,000 of terminal losses at Silhouette (Thurnscoe)—closed earlier this year. A similar final *loss will occur in the second half.*

The interim dividend is 0.65p (0.67p) net per 20p share—equal to last year's 1p gross. The 1974 net total was 2.945p.

The de-stocking policy of Marks and Spencer is severely affecting the profitability of J. O. Pierson.

A policy of reducing stocks is reflected in a stronger liquidity situation than existed 12 months *ago, and the group has not had* to avail itself of all the available overdraft facilities, says Mr. Blumenau.

● comment

Excluding terminal losses at Thurscoe, Silhouette's interim pre-tax profits are 26 per cent. lower, on margins down by over a-third. This has largely been due to volume interruptions at J. O. Pierson, an M and S supplier which accounts for some 23 per cent. of group output, and continuing problems at the Bel*gian subsidiary*, Forma. As a result of M an S's destocking programme, Pierson has diversified away from corsetry into bra's and underwear while at Salop swimwear sales have helped to offset the effects of a shrinking corsetry market. Too great a dependence on foundation garments is a *factor* hehind the group's pedestrian profits per*formance* in the last decade, though this has been reduced from 80 per cent. to 50 per cent. of output in the past four years. An axeing of overheads at Salop and destocking to the tune of £¼m. has reduced borrowings; assuming the final dividend is maintained a yield of 16 per at 29p has already been covered.

Gordon Johnson-Stephens

FIRST-HALF (to August 31, 1975) turnover of Gordon Johnson-Stephens (Holdings) amounted to £2.5m., and pre-tax profit was £207,972, including Douglas Rownson International acquired during the six months. For the corresponding period a year earlier turnover was £1,872,000 and profit £130,374.

Stated earnings per 25p share were 2.23p against 1.96p and the interim dividend is 0.5p net, as before. The total for the year to February 28, 1975, was 1.5p from a profit of £352,178.

	Half year 1975 £	1974 £
Turnover	2,502,000	1,872,000
Interest charged	49,584	35,214
Pre-tax profit	207,972	130,374
Taxation	110,828	67,000
Retained	67,994	46,712

The company manufactures equipment for the food, mining *and* civil engineering industries. It has bought 33,360 Common shares (7 per cent.) of Gordon Johnson Industries, of Kansas City, and intends to acquire further shares when opportunities present themselves, it is stated.

£1.6m. loss at British Anzani

AFTER A £1.28m. rise in interest charges and again writing off over £0.7m. against the book values of certain properties held for resale, British Anzani has run into a loss of £1.64m. before tax for the year ended March 31, 1975, compared with £0.41m. previously.

There is no dividend recom*mendation*, compared with an adjusted 0.1215p, paid as an interim, in 1973-74. Loss per 5p share was 6.49p (1.1p).

Profits of the industrial trading subsidiaries were record £339,197 (£188,294) excluding £145,333 earned by the construction company on work for the group. This company is now primarily engaged on contracts outside the group which improves cash flow and profitability of the group as a whole. Rental income showed an encouraging advance.

Part of the developments to *which the group was committed* has been completed. The directors can, therefore, look to a reduction in capital expenditure together with a significant increase in rental income.

There are extraordinary debits of £405,855 (£123,923), relating mainly to losses on properties sold since the year end. Interest of £0.62m. which would previously *have been capitalised has been* charged to profit and loss account.

	1974-75 £	1973-74 £
Turnover	7,365,476	9,386,110
Rental income	1,135,066	767,382
Property dealing	378,383	3,732,769
Industrial subsids.	5,891,107	4,887,960
Trading profit	1,258,318	1,184,937
Interest paid	2,151,662	872,914
Except. debits	749,531	734,836
Loss before tax	1,643,595	412,893
Tax charge	[illegible]	87,568
Extra-ord. debits	405,855	123,923
Dividend	—	31,773
Attributable loss	2,102,107	656,088

See Lex

Deficit for Porvair—finance plans

PORVAIR, a subsidiary of the American Inmont Corporation, *would have to seek additional* funds, and planned to look to its U.S. parent for further working capital, chairman Sir Joseph Hunt said yesterday.

In his interim report, Sir Joseph said that "at the present time Inmont is the only readily available source through which the company can obtain the needed additional financing."

*Interim figures for the half-*year to June, 1975, show a loss of £875,000 against a profit of £285,000 for the same period last year. Turnover fell from £2.96m. to £1.38m. The setback is attributed mainly to the present world-wide availability of leather at low prices, and increased shoe imports to the U.K.

Inmont has indicated its willingness to *provide the additional* working capital required during 1975 and 1976, either directly or through guarantees of loans, subject to periodic review by Inmont of operations, and to its being *satisfied* that they are progressing in a manner "justifying continued financial support."

Porvair's directors say that, subject to unforeseen circumstances, progress will satisfy Inmont. Assuming continuance of existing bank facilities, they consider additional funds up to £1m. will be adequate to meet working capital requirements "as presently forecast."

The company is now 80 per cent. owned by Inmont. That company procured loans by giving guarantees to lenders, and *presently it has a maximum* liability under such guarantees of £2.33m. Of this, £1.05m. has been taken into account for the purpose of the option rights already granted to Inmont. If it takes up the balance of £1.28m. in subscribing for further shares before the end of the option period (December, 1980) it will own 87 per cent. of Porvair's equity.

Chambers & Fargus

Mr. G. H. Elliot, chairman of Chambers and Fargus (seed crushers and edible oil refiners), told the annual meeting he was confident margins would improve *in the coming months*, but "slim" profits must be expected for 1975-76. For the year to June 28, 1975, net profit, after tax, fell to £9,318 from £96,405 previously.

Mr. Elliot explained that the current recession was now having *a marked effect on demand for* high-protein animal feed stuffs.

Requirement for soya food products remained buoyant but at lower prices than previously—"so we are having to enter very com*petitive markets in both areas.*"

However, the chairman added that he was confident the company's place would be established in those markets

Meeting, Page 5

Questions for Yorkgreen

A shareholders' "ginger group," spearheaded by Eastbourne accountant Mr. Leslie Harris, is expected to question the Board of Yorkgreen Investment Trust at the annual meeting on November 17.

The points raised are expected to concern the amount of information provided to shareholders, specifically associated with events since the last balance-sheet. These include the agreements between Herman Spark—a company now in the hands of a Receiver—Mr. D. G. Innes, former chairman of HS and now chairman of Yorkgreen, Mr. T. V. Buffet, Yorkgreen Investment Trust, and Automated *Security (Holdings).*

Mr. Harris is expected to call upon shareholders to reject all the resolutions put to the meeting by the Board, and to oppose the *re-election of one of the directors.*

Dunlop Aust.

Dunlop Australia chairman, Sir Robert Blackwood, told *the annual* meeting that the group had improved its profit in the first 1975-76 quarter, both in volume and in percentage relationship of sales to investment, on the same *1974-75* period.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Batu Matang Rubber	1.25	Dec. 20	1.15	1.63	1.52
British Anzani	Nil	—	Nil	Nil	0.12*
British Debt Services	Nil	—	Nil	Nil	1.4
Cumulus Inv.	0.7	Jan. 2	0.7	0.7	0.7
Haighton and Dewhurst	0.92(a)	—	0.88	0.92	0.88
G. and G. Kynoch	Nil	—	Nil	Nil	1
Lister and Co.	1.57	Jan. 30	1.57	2.45	2.45
London Entertainments	1.15	Dec. 11	0.75	1.15	0.75
Patani Para	1.34	—	1.23	1.67	1.58
Photax (London) ......int.	1.05	Dec. 21	1.03	—	2.04
Silhouette ......int.	0.65	Dec. 29	0.67	—	2.95
Herman Smith	0.16	Jan. 2	0.14	0.39	0.37
Teacher (Distillers) ...int.	2.1	Dec. 19	2.1	—	3.21
Wolseley-Hughes	2.26	Jan. 2	2.22	4.33	*4.06

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by *rights and/or acquisition issues.* (a) *Gross throughout.*

ISSUE NEWS

Unilever NV Bond issue

Unilever N.V. is to issue in the Netherland Fls.125m. nominal of 8¾ per cent. 10-year bonds. The issue will be underwritten by a syndicate managed by Amsterdam-*Rotterdam* Bank N.V. and co-managed by Pierson, Heldring & Pierson N.V., Algemene Bank Nederland N.V. and Bank Mees & Hope N.V. Application will be *made to list* the bonds on the Amsterdam Stock Exchange.

The issue price will be announced on, or before, next Friday. Subscription lists will open on Tuesday, November 18 and payment for the bonds must be made by Tuesday, December 9.

The bonds may not be offered or sold directly or indirectly in the U.S. or its territories or possessions, or to nationals *or residents* thereof.

They will be of Fls.1,000 each: about one-fifth of the total will be drawn for redemption on December 1 *in each of* the years 1981-1984 inclusive, and all bonds not previously redeemed will be redeemed on December 1, 1985.

Proceeds will be used to refinance the 1970 8 per cent. note issue which is redeemable on December 1, 1975.

Hunting's rights

In the formal document from **Hunting Associated Industries** regarding its proposed rights issue of one-for-five at 53p each, it is stated that proceeds will be used to fund borrowing necessitated by expansion of activities and working capital.

Indebtedness as at October 17 included secured overdrafts of *£3.07m.*, *unsecured* bank loans £15,451, other secured loans £668,377 and unsecured loans £244,976.

Bearing in mind the present economic climate, the directors consider that results for the half year (profits up a fifth to £1.08m.) were encouraging and they are confident of a satisfactory increase over last year's £2.3m. *The dividend total is forecast at* 2.4p (2.05p)—Treasury consent has been received.

The issue has been underwritten by Industrial and Commercial Finance Corporation.

UNIT TRUSTS

Albany Guaranteed Endowment

Albany Life *Assurance* is advertising its Guaranteed Income Endowment this week-end, offering investors a guaranteed return over four years of 9¼ per cent. net on either a growth or an income bond. The basic contract is a single premium endowment to which *guaranteed bonuses* are added every six months. These bonuses may be cashed to provide income, leaving the orginal outlay intact at the end of the term, or rolled-up to provide growth. The policy may be cashed in at any time after the first year, the return on current interest levels being 92½ per cent. of the investment in the second year, 95 per cent. in the *third and 97½* per cent. in the fourth, plus any bonuses attaching.

● comment

Guaranteed growth and income bonds are returning to the life market again after going into demise following the March 1974 budget. The return offered on Albany Life's Guaranteed Income Endowment of 9¼ per cent. net is among the highest in this field. The company has learnt the lesson regarding cash-in values and based them on *interest levels* pertaining at the time of cash-in and the values quoted in the literature relate only to current interest levels. Investors should check on the higher rate tax position before committing themselves. Albany Life, launched this year, is a subsidiary of American General Insurance.

Prospectus, Page 13

ARBUTHNOT HIGH INCOME

An offer is being made in **Arbuthnot High Income** which has an estimated gross yield of 11.5 per cent. The portfolio consists primarily *of Ordinary* shares (85 per cent.) but there is a leavening of Preference shares in order to jack up the yield. The management company *is a subsidiary of the merchant* bank Arbuthnot Latham, the trustee is Royal Bank of Scotland, and the minimum investment requirement is £200.

● comment

The Arbuthnot group of unit trusts is an amalgam of the former Abacus and Jascot groups *of unit trusts, but the identifica*tion is now with the merchant bank, Arbuthnot Latham. The latter is particularly known for its Middle and Far Eastern connections, but these are not particularly relevant to the **Arbuthnot High Income Fund** where the main appeal is the high yield.

Prospectus, Page 15

HILL SAMUEL TRUSTS

The **Hill Samuel** group is advertising its range of unit trusts this week, comprising the Capital, Financial, British, Security, Income, High Yield, International and Dollar Funds. The managers make the point that after nine months of the current year, five Hill Samuel trusts were in "top 20" performers out of 350 trusts in the running. The unit trust arm of Hill Samuel is part of the investment management subsidiary which handles over £800m. of funds and is linked with the Hill Samuel merchant banking *and insurance group.*

● comment

The Hill Samuel unit trusts are riding the crest of the wave at *the moment*, for the *investment* managers succeeded in spotting the right time to *reduce liquidity.* Thus by December, 1974, they were fully invested and able to take full advantage of the upturn. There does indeed seem to be an energetic management team at Hill Samuel after a fallow period a couple of years ago and the test now will be to maintain the momentum.

Prospectus, Page 7

GARTMORE FUNDS

The Gartmore Group is advertising two funds this week-end—the **Gartmore High Income Units** and the **Gartmore British Units.** The former offer investors an estimated gross *yield of 11.5 per cent.* and the underlying portfolio is predominantly in equities. Gartmore British is a growth-orientated fund of British equities where the companies have a high export or overseas earnings potential, with an estimated gross yield of 4.2 per cent.

● comment

The two funds offer by Gartmore are at opposite ends of the investment spectrum. The **Gartmore High Income Units** concentrate *on providing income and offer* a high starting yield together with potential for increasing that income. The **Gartmore British Units** on the other hand aim at capital growth and consider the best U.K. shares for this objective are those with strong overseas interests, either exports or overseas operations.

Prospectus, Page 3

LAWSON FUNDS

The Lawson group is making offers in the **Lawson Scottish Resources and General Fund** and the **Lawson High Yield Fund** this week. The minimum holding requirement in each case is £100 but whereas the Scottish Fund is geared largely to capital growth (with a 4.5 *per cent. yield*), the high yield fund is tuned into high income with an *estimated gross* return of 12½ per cent. The Lawson group has funds under *management of nearly £8m.*

● comment

The **Lawson Scottish Resources and General Fund** and the **Lawson High Yield Fund** have very different aims and it is really the high yield fund which has made its mark so far—both on account of the income it offers (paid quarterly) and the very respectable capital growth record. The latter is not really its main aim but it seems to have happened all the same. The Scottish Resources trust also shows a *healthy increase in its unit value.*

Prospectuses, Pages 11& 21

WESTMINSTER PENSION

The City of Westminster Assurance is advertising its **Guaranteed Growth Pension Plan** this week-end, enabling self-employed *persons to make pension provision.* In addition to the usual benefits provided by such policies, this plan guarantees the return to be not less than the Building Societies Association minimum lending rates. At present the return is 11½ per cent., which is ¼ per cent. higher than the current rate. The minimum annual premium is £120 and the usual tax reliefs apply.

● comment

The self-employed cannot expect to get a high retirement pension if they rely completely on the state scheme. But there are very generous tax concessions available in taking out a self-employed pension with a life company. The **Guaranteed Growth Pension Plan** not only provides the usual pension benefits, but guarantees a *minimum growth rate on the* plan linked to the Building Societies Association minimum lending rate—a high level of guarantee.

Prospectus, Page 17

INTL. 'PIMS'

Schlesinger Trust Managers is *advertising the International* "PIMS" service this week-end. This advises investors to hold a substantial part of their assets overseas—at least 40 per cent. The investment vehicle used is the Trident International Growth Fund, which has a world-wide spread, but is heavily orientated towards the U.S. market. The service is designed for the larger *investor*—£4,000 or more—and *it* includes detailed reports and valuations together with regular meetings with the investment managers.

● comment

The aim of Schlesinger's **International "PIMS"** service is to spread investments on a geographical basis in order to take advantage of favourable investment opportunities overseas. The underlying fund has ample cash resources to follow this principle, but the recommendation of at least 40 per cent. overseas looks rather high unless the investor is prepared to commit himself fully.

Prospectus, Page 24

MORRIS & DAVID JONES

Morris and David Jones is to make proposals to holders *of its* 7½ per cent. Debenture stock 1987-1992 for the repayment of the stock at £80 per cent. plus accrued interest (less tax). Documents will be posted *to holders* as soon as possible.

Results due next week

Heading our list next week is the giant Unilever operation followed by textile groups **Courtaulds** *and* **Coats Patons**, *the former* a member of the Financial Times 30-share index, as are both **Boots** and **Lucas** which also feature in the list. Others coming next week are **General Accident** and **Chloride**.

Unilever's half-year profits in August were 49 per cent. lower pre-tax at £96.7m., within which *the second quarter contribution* was down 29 per cent. at £66m. The third quarter figures on Wednesday should show some recovery on the back of falling raw material prices, particularly soya beans, and *some benefits from* the recent slight pick-ups in the economies of North America and Western Europe. This should also enable N.V., which up until now has been very depressed, to start showing better profits and help to hold the overall nine-months pre-tax level at around £190m. pre-tax compared with £257.3m. previously.

Some dismal profits are expected to be reported next Thursday from the textile sector in the interim reports from **Courtaulds** and **Coats Patons**. In both cases the half-yearly profits will probably represent the bottoming out of the cycle, so a dismal performance is already discounted in the market.

Courtaulds has indicated that profits would show a major fall (the second half of the previous year took a slide of £29m.), but judging how bad the figures will be depends upon how quickly the fortunes of loss makers were reversed. Possibly interim profits may fall from £79.3m. to, say, £15m., but this estimate is open *to variations of £5m. each way.* More interest will probably be attuned to the accompanying statement as analysts are hoping to *see* a modest degree of optimism for the medium term.

The picture at Coats is similar if by no means as dramatic. Interim profits here are expected to fall about £10m. to £15m., but the recovery in the U.S. fibre situation, though not complete, points the way upwards for profits from now on as Coats' considerable overseas interests revive.

Interim pre-tax profits from **Boots** on Thursday are expected *to climb to somewhere in the* £28m.-£34m. bracket with the majority of analysts aiming for around £31m. The difficulty with pinpointing Boots' performance is that the retailing interests were operating below net safeguard margins so there was the opportunity for price flexibility should Boots have needed *it*. However, with sales rising nearly a quarter, and strong cash flow enabling rapid physical expansion while other chains are holding back and independents leaving the trade at a rate of 30 per month, Boots may be content for the time being to chase sales and leave price adjustments until it has captured a larger slice of the market.

The energy crisis and the resulting three-day week were clearly responsible for much of **Lucas Industries'** 1973-74 downturn from £27.2m. pre-tax to £18.64m., and the absence of these factors must have played an important part in the 108 per cent. rise in first *half profits, to £13.08m. pre-tax,* in March. However, another important feature of this recovery must have been the recent upsurge in demand for the diesel fuel injection equipment produced by the group's CAV subsidiary.

General Accident's under*writing loss increased from £3.7m.* to £7m. between the first and second quarters, to leave interim pre-tax profits lower by £10m. at £6.4m. Sterling weakness in the third quarter may have offset an improvement in the U.S. following rate increases on GA's troubled motor account, and the U.K. *motor side* must still be feeling the effects of severe inflation on claims costs. Assuming no underwriting improvement in the third quarter, pre-tax profits for nine months could be as low as £11m. (£25.5m.); a more optimistic target for Wednesday's results is £13.5m.

Demand for industrial batteries has taken a sharp turn for the *worse in recent months and this* must be having a depressing effect on **Chloride's** 1974-75 profits (figures for the first six months will be announced on Friday). For the first half this probably means a fall from £8m. to £7.2m. pre-tax, while for the full year a pre-tax total of around £15.8m.—against £16.2m. last time—is probably the highest expectation.

On Monday interim figures are expected from **Aerow (Engineers)** and **Rothschild Investment Trust**, while on Tuesday the first half report is coming from **Minster Assets**. Wednesday should see *six-monthly* reports from **Hill Samuel** and **J. Sainsbury** and on Thursday the third quarter results from **Philips' Lamps** and full year figures from **Smith Industries**.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Allied London Properties	Monday	0.576	1.49	0.513
Anglo Scottish Investment Trust	Tuesday	0.617	0.75	0.617
A. Arenson (Holdings)	Tuesday	0.617	1.174	0.629
Assam-Dooars Holdings	Wednesday	—	7.25	—
Berry Trust	Friday	—	0.617	—
Bridport-Gundry (Holdings)	Wednesday	0.402	0.495	0.534
Burndene Investments	Tuesday	0.335	0.441	0.225
Clydesdale Investment	Monday	0.438	1.063	0.5
Concentric	Wednesday	0.7	0.9	0.7
Common Brothers	Tuesday	2.0	2.472	2.0
R. and C. Cuthbert	Tuesday	0.15	1.25	0.25
Derritron	Wednesday	—	0.23	—
G.R. (Holdings)	Monday	3.5	11.274	3.5
R. Green Properties	Thursday	0.5	0.836	0.5
House of Sears (Holdings)	Tuesday	—	Nil	—
International Computers (Holdings)	Tuesday	—	0.67(a)	—(c)
A. E. Jenks and Cattell	Monday	0.525	0.932	0.525
Jokai Tea Holdings	Tuesday	—	6.7	—
Lucas Industries	Monday	1.225	3.7	1.375
Medminster	Thursday	0.518	0.553	0.813
Moss Engineering Group	Thursday	0.558	2.328	0.838
Newman Granger Industries	Monday	0.56	0.622	0.58
Northborough Investment Trust	Friday	—	Nil	—
Sandhurst Marketing	Tuesday	0.583	1.012	0.583
Smiths Industries	Thursday	1.825	3.222	2.465(b)
Supara Investments	Thursday	—	0.5	—
Tricoville	Tuesday	0.402	0.521	0.5
Westward Television	Monday	0.441	0.54	Nil
White Drummond	Thursday	0.964	1.674	1.131
INTERIM DIVIDENDS				
Acrow (Engineers)	Monday	1.75	1.79	
[illegible] Industries	Wednesday	4.0	5.5*	
Avana Group	Wednesday	Nil	0.175	
Boddingtons' Breweries	Thursday	1.75	0.905	
Booth (International Holdings)	Tuesday	1.14	1.54	
Boots	Thursday	0.514	1.427	
Brown Walker	Friday	0.45	0.586	
John Bright Group	Wednesday	0.95	1.1	
Chamberlin and Hill	Wednesday	0.9	1.142	
Chloride Group	Friday	0.9	2.456	
Chubb and Son	Thursday	0.56	2.295	

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
Clement Clarke (Holdings)	Tuesday	0.75	1.2	
Coats Patons	Thursday	0.565	Nil	
Cope Sportswear	Thursday	0.277	0.2772	
Courtaulds	Thursday	1.841	3.756	
Davies and Newman Holdings	Tuesday	2.01	4.1155	
James Dawson and Son	Thursday	1.25	3.17	
Elswick-Hopper	Thursday	0.293	0.3	
John Foster and Son	Wednesday	0.875	2.071	
Head Wrightson	Thursday	Nil	1.125	
Hill Samuel Group	*Wednesday*	1.05	2.508	
King and Shaxson	Monday	0.7	2.143	
Leopold Joseph Holdings	Tuesday	1.575	[illegible]	
Minster Assets	Tuesday	1.5	1.23	
Mountview Estates	Wednesday	[illegible]	[illegible]	
Northern Securities Trust	Thursday	0.7	1.75	
Pork Farms	Thursday	3.304	3.5191	
Porter Chadburn	Thursday	1.005	2.925	
Progressive Securities Investment Trust	Thursday	0.375	0.75	
Roberts Adlard	Thursday	1.313	[illegible]	
Rothschild Investment Trust	Monday	2.65	6.825	
J. Sainsbury	Wednesday	1.5	3.0	
Shellabear Price (Holdings)	Thursday	0.875	1.402	
Sumrie Clothes	Tuesday	1.196	1.904	
Viners	Thursday	[illegible]	0.664	
J. O. Walker	Monday	1.005	[illegible]	
Warner Holidays	Friday	0.55	0.89	
Weston Pharmaceuticals	Thursday	0.6	1.513	
Young Companies Investment Trust	Monday	1.0	1.8	
INTERIM FIGURES ONLY				
Aquascutum and Associated Companies	Tuesday			
General Accident Fire & Life Assur. Corp.	Wednesday§			
Guardian Investment Trust	Friday			
Philips' Lamps Holding	Thursday§			
Regalian Properties	Friday			
Walter Runciman	Monday			
Unilever Ltd.	Wednesday*			
Unilever N.V.	Wednesday§			

* Dividends shown net, pence per share, and adjusted for any intervening scrip issue. † Includes second interim. ‡ Second interim. § Third-quarter figures. * Third-quarter figures and interim dividend due. (a) Special interim. (b) Forecast 3.45p final. (c) Declaration of dividend only due.

BIDS AND DEALS

Agreed Pentos bid for Marshall Morgan

Pentos, the industrial holding company headed by Mr. Terry Maher, last night announced an agreed take-over bid for the shares it does not already own in Marshall Morgan and Scott, the publishing concern which sells books from "Mrs. Beeton" to the "Wombles Annual."

The offer, which values the shares, in MMS (of which Mr. Maher is also chairman) other than Pentos' existing 27 per cent. stake, at £2.75m., is worth 97½p for each share in MMS, compared with an unchanged 77p in the market yesterday.

The move, which will further enlarge Pentos, to a group with a current market capitalisation of £8.6m., follows the absorption into it last year of the building concern Austin-Hall.

Shareholders in MMS are offered for each existing share, 1½ of a Pentos share (unaltered at 42p yesterday) plus 50p of a new 15 per cent. convertible unsecured *loan stock* 1985.

A partial cash alternative will be available, under which MMS holders can elect to receive, in respect of all or any part of their holding, 40p in cash plus the balance of 10p in the stock, as an alternative to the 50p nominal of the stock. The maximum cash that would be required to satisfy the alternative in full would be £1.07m., which would be provided from Pentos' own resources.

Subject to the merger going through, the Treasury will allow Pentos to increase its total dividend for 1975 to 5.375p a share (including related tax credits), compared with 4.34p in 1974, a rise of nearly 24 per cent. Subject to formal consent, Pentos proposes to pay this dividend.

The intention is that existing activities of MMS, already a close associate of Pentos, will continue to be developed within the enlarged group, as an independent business with the same management.

County Bank has advised MMS and Mr. Maher has not participated in the MMS Board discussions during the negotiations.

The document discloses that New London's properties are worth £11.7m., based on a revaluation at September 30. On this basis the adjusted net asset value attributable to each Ordinary share is about 259p.

BTR claims 46.8% of Permali

BTR has sent out the final offer document to shareholders of Permali, in which it already holds or has acceptances for 46.8 per cent. of the capital.

Permali has also sent a letter to its shareholders, confirming Board opposition to the 31½p cash per share bid. The share alternative is worth 32½p with BTR at 150p last night.

BTR owned 9.4 per cent. of the Permali equity prior to September 3; it then acquired a further 30.3 per cent. from Slater Walker Securities, 1.3 per cent. through the market and 2.3 per cent. from Permali S.A. which was Permali's original founder in 1937.

Apart from the small equity link between the Permali U.K. and Permali S.A., there existed technical and commercial agreements and a common director, Mr. J. R. Schvarz.

Mothercare placing

Mothercare confirmed yesterday that Mr. Selim Zilkha, the chairman, his family and associates, have sold a further 2.5m. Ordinary shares in the company at 165p. They have been placed with around 30 institutional investors and Mothercare said this "now completes the placing started earlier this year," when 4.8m. shares were placed.

A company spokesman said this should be taken as a statement of intent to the effect that further disposals were not planned.

The sale leaves Zilkha family interests with 47.8 per cent. of the equity capital, and Mothercare is no longer a foreign controlled company. The company has also been notified that Mr. Zilkha's holding is now 30.9 per cent.

Westminster & Country sale

Westminstre and Country Properties has exchanged contracts with Electricity Supply Nominees for the sale of the remaining freehold warehouse at Hanworth Road, Sunbury, for £1,375,000 cash, which compares with a book value of £1.16m.

The warehouse sold is leased to Courtaulds at a current rent of £87,360 per annum, reviewable in 1978.

Of the consideration £500,000 will be devoted to repayment of a 12 per cent. mortgage on the property, and the balance for the group's general purposes.

NEW LONDON PROPERTIES

The formal offer document concerning the agreed Pearl Assurance cash offer for the rest of the share capital of New London Properties has been posted. Pearl, which now holds almost 50 per cent. of the equity, is offering 250p for each 25p Ordinary and 70p for each £1 Preference share.

COURT HOTELS (LONDON)

Mr. Martin Spencer, receiver and manager for Court Hotels (London) says that, after lengthy negotiations, he has sold his interest in Trafalgar Travel and the group's other travel subsidiaries which include a number of overseas companies. The name of the buyer was not disclosed.

As to the group's hotels, he said he was conducting a viability study and that, from information currently available, he expected that they would continue to operate.

ASSOCIATES DEALS

Cazenove on Thursday bought 46,500 Permali at 31½p on behalf of BTR.

Carlebach, Scott, Young yesterday sold for an associate of BTR 2,570 BTR at 147p.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Activity in the bids and mergers field was on the increase last week. **Dawson and Barfos**, the essences and fruit juice products concern, has agreed to recommend a £3.3m. take-over offer from the food and property group **Matthews Holdings**. Five Matthews' shares are offered for every four of D and B, which currently values each D and B share at 55p; there is also a cash alternative of 48p for each D and B. Irrevocable undertakings to accept have already been given in respect of an aggregate 47.6 per cent. of the D and B equity.

BTR has moved nearer its goal of gaining full control of **Permali** by purchasing a further 2.3 per cent. of the latter's equity at 31½p per share from SAP Investment, a subsidiary of Permali SA. Accordingly BTR has further increased its cash offer from 30p to 31½p per Permali share and made a corresponding improvement in its shares plus cash alternative. BTR now claims *that over 46 per cent. of the Permali equity is already under* its control or committed to the bid, but the Permali Board considers this latest offer still undervalues the company's shares.

Amalgamated Industrials has acquired from Griffiths Bentley, a subsidiary of BSG International, 4.5 per cent. of the equity of Herbert Morris at 60p per share, raising its stake in the latter to about 38 per cent. An identical cash offer is being made by AI for the outstanding issued Ordinary shares of Morris, conditional on AI ending up with over 50 per cent. of the voting *rights. However, Morris is opposing the bid on the grounds that* it is "wholly unacceptable and contrary to the interests of the remaining Morris shareholders."

Granada Group and its 82.6 per cent.-owned subsidiary **Robinson Rentals** have reached agreement on a proposed Scheme of Arrangement whereby the latter will become wholly owned by Granada. Under the Scheme, RR minority shareholders are being offered 196p per share in cash or alternatively 14 Granada "A" shares for every five of RR. The cash consideration values *the outstanding RR equity at £7.1m.*

Motor components concern **Harmo Industries** has received an approach from an unnamed party which may lead to an offer. With the share price up to 38p on the news, the company is capitalised at £6.6m. **York Trust** and **Greenwood and Batley** announced that they are engaged in discussions that might result in a merger.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Prices in pence unless otherwise indicated.						
Andre Bernard	6½*	6	5	0.1*	Hepmead	—
Atlas Stone	115*	115	80	4.5*	C. F. Eternit	19/11
Bellair Cosmetics	18*d	21	16	0.1*d	Hills London Shops	11/11

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc't'ce date
Clifton Invs.	4½*d	10	4½	0.15*d	Aries Hldgs.	—
Court Hotels	50*	32‡	32‡	1.3*	BSQ Secs.	—
Dawson & Barfos	55g	51g	48	3.3g	Matthews Hgs.	—
Felixstowe Dock	£1.50*	124	90	5.2*	Brit. Transpt. Docks Board	—
Great Boulder	71½d	69	70	43.7d	Western Mng.	—
Gresham Hotel	135*	135	—	1.1*	Tunney S. Htls.	—
Hothlyn Cpn. "A"	53*d	50	40	3.2*d	Mr. Abe Goldberg	—
Hothlyn Cpn. "B"	53*d	50	46	0.9*d	Mr. Abe Goldberg	—
Lincoln Corn Exch.	£10*	£10	£10	0.5*	Tripdene	—
Magnet Joinery	—	194	130	43.1e	Agreed merger	
Southerns-Evans	—	137	92½	43.1e	Agreed merger	
Morris (Herbert)	60*d	67	54	1.2*d	Amalgd. Inds.	—
New Lond. Props.	250*d	238	165	5.1*d	Pearl Assur.	—
Permali	32d	31½	15	2.4d	BTR	22/11
Robinson Rentals	196bd	188	160	7.1bd	Granada	—
Scotia Invs.	17*d	17	20	0.6*d	Alco Metrop. Properties	—
Seaham Harbour	£26*	£5‡	£5‡	0.6*	Tinline Ests.	—
SA Distilleries	396d	365	380	6.3d	Oude Meester	—
Walmsley (Bury)	60*d	55½	37	1.6*d	Beloit Cpn.	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 7/11/75. k Based on 6/11/75. n Notional value. ‡ At suspension. † Bid.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Beaverbrook Nws.	June 30	2,130	(1,355)L	8.8	(—)	1.025	(0.333)
C. H. Beazer	June 30	1,805	(1,571)	14.5	(15.2)	8.0	(8.0)
Bellway Holdings	July 31	3,301	(3,855)	5.4	(7.5)	2.282	(3.134)
Birmid Qualcast	Aug. 2	10,705	(7,500)	7.6	(5.6)	3.628	(3.4)
Burgess Products	Aug. 2	167	(449)	3.1	(6.4)	3.308	(3.308)
Evans & Owen	Mar. 31	36	(41)	0.03	(0.05)	Nil	(Nil)
Fairfax Jersey	June 29	240L	(219)	—	(3.9)	Nil	(3.325)
Herrburger Brks.	June 30	48	(59)	2.7	(2.9)	0.875	(0.875)
Jessups (Hldgs.)	Aug. 31	270	(173)	3.3	(2.1)	1.265	(1.187)
Walter Lawrence	June 30	844	(732)	9.5	(8.6)	4.25	(—)
Lond. & Prov. Shop	June 24	268	(204)	1.8	(1.4)	0.901	(0.844)
Wm. Low	Sept. 6	1,008	(1,018)	8.9	(7.8)	4.695	(4.4)
Martonair Intnl.	July 31	2,879	(2,634)	15.6	(14.3)	3.367	(3.155)
Mitchell Cotts Trs.	June 30	622	(801)	6.4	(7.7)	2.72	(2.55)
M.Y. Dart	June 30	1,220	(1,059)	8.1	(4.9)	1.371	(1.28)
C. H. Pearce	May 31	538	(465)	20.6	(17.9)	2.759	(2.585)
Pochin's	May 31	383	(450)	16.0	(20.7)	3.754	(3.518)
Sanderson Murray	June 30	33	(155)	2.1	(5.2)	1.3	(3.15)
Silverthorne Grp.	June 30	64L	(257)	—	(3.5)	Nil	(1.68)
Sungei Bahru Rbr.	June 30	7	(172)	0.03	(2.8)	0.39	(1.173)
Tyzck. Sns. & Trnr.	Aug. 1	400	(296)	11.9	(9.4)	2.463	(2.303)
Unochrome Intnl.	June 30	504	(497)	2.1	(2.0)	0.4	(0.35)
Wood Hall Trust	June 30	6,062	(8,381)	11.4	(15.8)	3.941	(3.693)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Airflow Streamlns.	Aug. 31	69	(146)	1.0	(1.174)
Averys	June 30	3,669‡	(3,151)	1.569	(1.47)
Bainbridge Bros.	Aug. 31	44	(36)	0.525	(0.525)
Wm. Baird	June 30	689	(1,379)	2.6	(2.68)
Birmingham Mint	Sept. 30	70	(73)L	1.12	(Nil)
Brit.-Borneo Pet.	Sept. 30	457	(358)	1.557	(1.74)
Capper-Neill	Sept. 30	875	(501)	1.287	(1.2)
De La Rue	Sept. 30	2,181	(4,113)	2.123	(2.188)
Electrocomponts.	Sept. 30	1,353	(1,218)	1.82	(1.65)
Ellenroad Ring	Sept. 27	126†	(99)	0.5	(0.5)
Eva Industries	Sept. 27	402	(679)	1.313	(1.75)§
Farm Feed	July 31	91	(82)	0.65	(Nil)
FC Finance	June 30	224	(610)	Nil	(1.575)
Feedex	June 30	363	(304)	0.518	(0.485)
Andrew R. Findlay	June 30	206	(192)	0.5	(0.5)
Gieves Group	Aug. 2	344	(258)	1.0	(0.788)
Goldring	June 30	76L	(111)	Nil	(0.525)
Luis Gordon	June 30	337L	(62)L	—	(—)
Group Lotus Car	June 27	235L†	(151)	Nil	(1.63)
W. Henshall	Sept. 30	58	(44)	0.182	(Nil)
Hoover	Sept. 30	14,618¶	(8,314)	—	(—)
Mallinsn. & D. Mott	June 30	2,193	(1,704)	0.7	(0.7)
More O'Ferrall	June 30	61	(235)	0.75	(1.1)
Ocean Wilsons	July 31	968	(767)	1.0	(1.0)
Peerage of B'ham	June 30	96	(113)	0.55	(0.5)
Polymark Intnl.	June 30	220	(167)	0.804	(Nil)
Readicut Intnl.	Sept. 30	1,546	(1,463)	0.338	(0.317)
Royal Dutch-Shell	Sept. 30	674,300a	(871,700)	—	(—)
Scottish Heritable	June 30	91	(226)	0.53	(0.49)
H. C. Slingsby	June 30	52	(103)	0.6	(0.586)
Tysons (Cntrctrs.)	June 30	413	(226)	—	(—)
Usher-Walker	June 30	316	(230)	0.935	(0.85)
Charles Wade	June 30	25	(169)	—	(—)
Weeks Associates	July 31	157	(103)	0.402	(0.402)
W. Wood & Son	June 30	104L	(172)L	—	(—)
Whitbread	Aug. 30	18,387	(13,258)	0.934	(0.875)

(Figures in parentheses are for corresponding period.)
(Dividends shown net except where otherwise stated.
* Adjusted for any intervening scrip issue. † For 25 weeks. ‡ *Forecast around £8.65m. (£8.13m.) profits for year.* § Comprises two interims of 0.875p. ¶ For 9 months. a Net income divisible—for 9 months. L Loss.

Rights Issues

S. and W. Berisford: One-for-one at par.
British Home Stores: One-for-eight at 285p each.
Capper-Neill: One-for-two at 32p each.
Hunting Associated Industries: *One-for-five* at 53p each.

Scrip Issues

Feedex: One-for-eight.
London and Provincial Shop Centres (Holdings): One-for-two.
Martonair International: One-for-ten.

Pauls & Whites expansion

Pauls and Whites (the maltsters and animal feedstuffs) in which Wood Hall Trust has a 27.4 per cent. stake, is to make a bid worth just under £1.4m. for **Barkers and Lee Smith**, an unquoted public company which manufactures and distributes animal feeds and also merchants fertilisers, seeds and agricultural chemicals.

Shareholders, mostly farmers, are being offered a mixture of shares and cash worth 165p for each Ordinary at last night's prices. Preference holders are *being offered 65p cash.*

Terms for the Ordinary are 18 Ordinary 25p shares in P and W, plus £5.60 in cash, for every 10 shares held. P and W shares closed unchanged at 70p last night.

The directors of B and LS, who between them hold 2.4 per cent. of the Ordinary and 18.4 per cent. of the Preference capital, are unanimously recommending shareholders to accept. On the offers becoming unconditional Mr. B. Leslie Barker, chairman of B and LS, will be invited to join the Board of P and W.

VINERS

Viners Cutlery and Tableware, a subsidiary of Viners, has agreed to acquire from Irish Cutlery its freehold factory at Enniscorthy, plant, machinery and stock for £129,763 cash. The acquisition will enable the company to compete more fully across a broader spectrum of the market.

DUNFORD & ELLIOTT

Dunford and Elliott has sold its wholly-owned subsidiary, T. W. Johnson, to Ireland Alloys of Hamilton, Scotland, for some £300,000 cash payable in December following a calculation of net asset values.

WEBSTERS

Websters Publications has agreed in principle to acquire Matthews Drew and Shelbourne, suppliers of visual aid and artists materials, printers and stationers, for £130,000—£65,000 cash and *£65,000 in 15 per cent. loan stock* repayable over five years.

At Feb. 28, 1975 the balance sheet value of net tangible assets of M.D. and S. was £131,000 and profit before tax for the year ended on that date was £29,000.

SGB GROUP

Consideration for the recently announced acquisition of the net assets of Harvingale Manufacturing by SGB Group amounted to £105,000 payable in cash as to £100,000 immediately and two annual instalments of £32,500.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or −	Div. Amount	Times covered	Gross Yield	P/E Ratio
a	F.P.	—	160	120	Corn Exchange	121	—	b1.82	2.5	1.5	—
‡R5	F.P.	7/11	380	335	Blandar'd G'd Min'g 20c	375	−5	—	—	—	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or −
£99¼	£10	30/1	10	9½	Bristol (City of) 13¼% Deb. Stk. 1981	9½	.....
£99½	£30	11/2	30¼	29⅛	Coventry (City of) 13½% Red. Stck. 1980	29½	.....
‡£100	F.P.	15/10	138⅛	113	Haslemere Est. 9½% '90-5	122	+1
£100	£50	9/1	51⅛	49⅞	Islington 13½% Red. Stk. 1980	50¾	.....
£100	£50	9/1	49¾	47⅛	Do. 14% Red. Stk. 1985/6	47¾	.....
††£98	F.P.	28/11	99⅛	98¾	Lee Valley Water 9% Red. Pref. 1980	99¼	.....
$US100	F.P.	—	100	98⅛	Midland Bank Float Cap Notes '82	100	.....
$C100	F.P.	—	98	98	Noranda 9¾% Notes 1980	$C.98	.....
$US100	F.P.	—	98	98	Do.	$U.S.98	.....
£98	£25	23/1	27⅛	26	Norcros 15⅛% Deb. 1990/95	27	+⅛
‡50p	Nil	17/11	¼p	¼p	Singlo 10% Cum. Conv. Pref.	¼pm	.....
£100	F.P.	28/11	120	100	Spirella 14% Conv. 1980	112	.....
$US100	F.P.	—	98	98	Trans Union Fin Can 10½% notes 1980	$C.98	.....
£98	F.P.	31/10	99⅛	98¼	York Waterworks 9% Red. Pref. 1981	99	.....

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Dates †	Latest Renunc. Dates ‡	1975 High	1975 Low	Stock	Closing Price p	+ or −
20	Nil	—	—	16½	10	Amal. Distilled Products	13pm	+1
25	F.P.	28/10	25/11	71	62	Babcock & Wilcox	71	.....
105	Nil	—	—	41	21	Cape Inds.	41pm	.....
55p	Nil	—	—	31	24	Debenhams	30pm	+2
25p	F.P.	6/10	14/11	64	49	European Ferries	64	+L
50	F.P.	30/10	28/11	72	63	Grand Met. Hotels	72	+2
260	F.P.	28/10	12/12	378	330	I.C. Gas	376	+8
20p	Nil	—	—	97	92	Minet Holdings	97pm	+2
41	F.P.	29/8	14/11	74	59½	Norcros	74	+2
25	F.P.	30/10	9/12	80	69	Northern Foods	72	.....
25p	F.P.	3/11	3/12	29¾	25	Peacock Sasini	28	.....
10p	Nil	29/10	31/10	29	25	Raybeck	29pm	+1
220p	F.P.	17/10	14/11	322	280	Royal Insurance	322	+4
50p	Nil	12/11	14/11	25	10½	Weir Group	25pm	.....

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p Pence unless otherwise indicated. s Forecast dividend: cover based on previous year's earnings. T Figures assumed. ! Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ¶ Issued by tender. ‡ Offered to holders of Ordinary shares as a "rights." ♥ 290 S.Afr cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ♦ Reintroduced. ‡‡ Issued in connection with reorganisation, merger or take-over. ‡ Introduction. ♠ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. ≠ With warrants.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Off 5 despite prime rate cut

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 7.

LOWER LEVELS developed on Wall Street to-day, despite another reduction in the prime interest rate by First National City Bank.

The Dow Jones Industrial Average came back 5.12 to 835.80, making a net loss of 0.24 on the week, while the NYSE All-Common Index, at $47.24, shed 10 cents on the day but was still up 19 cents on the week. Losses led gains by 750 to 669, while the trading volume fell 2.67m. shares to 15.93m.

Demand for stocks was hampered at the outset by a jump in the U.S. October employment rate to 8.6 per cent. from 8.3 per cent. a month earlier.

But the major factor dominating investment policy was the fiscal problems of New York City.

Oils were among the weakest sopts. A Congressional Committee approved a compromise oil pricing plan that would temporarily roll back the price of domestically produced oil 14 per cent.

Motors were narrowly mixed.

General Dynamics dipped $1¼ to $39¾. although it reported higher earnings.

Inspiration Consolidated Copper surrendered $¾ to $22¼ on a quarterly dividend of 20 (30) cents a share.

The American SE Market Value Index rose 0.11 to 83.34, making a rise of 0.35 on the week.

Robintech advanced $1½ to $22⅞, but Falcon Seaboard declined $1¼ to $28¼.

OTHER MARKETS

Canada mixed

Canadian Stock Markets were mixed in moderate trading yester-yesterday.

The Industrial Share Index rose 1.11 to 171.23, Western Oils 2.13 to 198.76, Utilities 1.65 to 124.53 and Banks 2.18 to 254.45. But Golds fell 3.79 to 273.22, Base Metals shed 0.18 to 72.14 and Papers eased 0.21 to 94.71.

Algoma Central Railways lost $1¼ to $14, despite higher third quarter earnings. Daon Development put on $¾ to $11—it expects sharply higher earnings.

PARIS—Generally mixed in light trading.

Metals and Stores eased, Electricals mostly better, while all other sectors irregular.

Americans mostly improved, Germans mixed, Dutch, Belgian and Canadian issues slightly down.

International Oils fell back, as did Gold Mines, Coppers firm.

BRUSSELS—Mostly higher on the eve of a four-day holiday.

U.S. stocks mixed, Germans lower, South Africans depressed, French shares advanced.

AMSTERDAM—All sectors mixed.

Banks, Insurances, Shippings and Dutch Industrials showed fluctuations narrowly either way.

GERMANY—Mixed after mainly Foreign purchasing encountered earlier weaker trend.

Banks, Chemicals and Power Utilities fractionally higher, but some Stores and Machinery shares eased up to Dm.2.

Public Bonds little changed in thin dealings.

SWITZERLAND—Mixed in brisk trading.

Banks steady, Financials and Chemicals mixed, Insurances and Industrials generally weaker.

U.S. stocks also mixed.

OSLO—Banking shares steady, Insurances, Industrials and Shippings quiet.

VIENNA—Firmer, with Metals lower.

COPENHAGEN—Slightly higher in fair dealings. Shippings lower.

MILAN—Selectively higher in more active trading.

Fiat gained Lire 26 to 1,113 on hopes of a settlement with unions. Bonds lower.

HONG KONG—Lower in light trading.

AUSTRALIA—Mixed in listless trading.

Cub rose 10 cents to $A2.40, while National Bank advanced 20 cents to $A2.95 on its results.

Among Mines, Pancontinental lost 10 cents to $A6.90 and Utah slipped 4 cents to $A9.30.

TOKYO—Firm on news that Central Bank will lower reserve ratios from November 16. Volume 160m. (130m.) shares.

Pioneer rose Y80 to 1,730. Chiyoda Chemical Engineering put on Y28 to 444 on plant exports to Middle East.

Hitachi were up Y4 at 163 on a 90 per cent. increase in pre-tax profits.

Major Mutual Funds showed interest in Constructions, Real Estates, Machineries and some "large-capital" shares.

JOHANNESBURG—Gold shares eased, as did Financial Minings. Coppers and Platinums mixed, other Metals and Minerals harder. Collieries and Industrials firmer.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.	Util.	Trading volume† 000's
Nov.					
7	68.55	169.89	835.80	82.73	15,930
6	68.57	169.56	840.92	82.89	18,600
5	68.60	168.19	836.27	82.66	17,390
4	68.56	167.61	830.13	82.44	11,570
3	68.67	166.26	825.72	82.31	11,400
Oct.					
31	68.58	166.38	836.04	82.63	12,910
30	68.53	166.67	839.42	81.96	16,080
29	68.46	166.23	838.65	82.02	16,110
28	68.51	166.54	851.46	82.66	17,080
27	68.35	166.75	836.48	82.44	15,100
24	68.34	166.68	840.52	82.47	18,120
23	68.57	168.18	855.16	82.89	17,900
22	68.34	167.81	849.67	82.79	16,080
21	68.16	168.02	846.82	82.89	20,800
20	68.14	166.71	842.25	82.12	13,250
17	67.96	164.86	832.18	82.31	15,650
16	68.09	165.52	857.85	82.31	16,910
1975 High	68.92 (4/4)	174.12 (6/5)	881.81 (15/7)	87.07 (24/6)	—
Low	66.16 (3/1)	146.47 (2/1)	632.04 (2/1)	72.02 (2/1)	—
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	163.32 (20/4/65)	—
Low	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Oct. 31	Oct. 24	Nov. 1 1974
4.60	4.56	5.71

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975 High	1975 Low	Nov. 7	Nov. 6	Nov. 5	Nov. 4	Nov. 3
51.24 (15/7)	37.06 (2/1)	47.24	47.54	47.15	46.76	46.56

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,825	669	750	406

	Nov. 7	Nov. 6	Nov. 5	Nov. 4	Nov. 3
New Highs	65	67	58	20	18
" Lows	24	18	16	19	34

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1975 High	1975 Low	Nov. 7	Nov. 6	Nov. 5	Nov. 4	Nov. 3
	86.80 (15/7)	62.20 (2/1)	83.34	83.23	83.04	82.58	82.88
Volume (000's)			1,440	1,820	1,860	1,290	1,280

STANDARD AND POORS U.S. STOCK INDICES

		*Industrials	†Composite
Nov.	7	100.05	89.33
"	6	100.32	89.55
"	5	99.66	89.15
"	4	99.11	88.51
"	3	98.61	88.09
Oct.	31	99.74	89.04
"	30	100.08	89.31
"	29	100.19	89.39
1975 High		107.40 (15/7)	96.91 (15/7)
1975 Low		77.71 (8/1)	70.74 (8/1)

* 425 Industrials, 50 Utilities, 25 Rails. † 425 Industrials, 50 …

STOCK AND BOND YIELDS

	Nov. 5 1975	Oct. 29 1975	Nov. 6 1974
Ind. Ord. yield pc	3.79	3.79	4.32
Ind. Ord. p/e ratio	11.76	11.80	8.64
Long-term Govt. Bds. per cent.	8.06	8.09	8.66

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Texaco	408,300	23	−⅛
General Motors	190,400	57⅞	−⅜
Pan Amer. Air	149,600	4¼	+⅛
Howard Johnson	138,000	14⅞	−⅜
Commwlth. Edison	136,800	30	+⅛
Bethlehem Steel	133,900	31¼	−1
Continental Oil	115,300	55⅞	−1⅞
Best Products	114,400	16⅜	+2⅛
Noreast Utilities	106,200	10¼	+⅛
Amer. Home Prods.	104,700	36¾	+⅞

TORONTO

INDUSTRIAL INDEX

Nov. 7	Nov. 6	1975 High	1975 Low
171.23	170.12	186.50 (15/7)	159.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Nov. 7	Nov. 6	1975 High	1975 Low
174.82	173.94	205.61 (15/7)	159.95 (2/1)

COMBINED INDEX

Nov. 7	Nov. 6	1975 High	1975 Low
173.02	171.64	196.00 (12/7)	156.05 (2/1)

JOHANNESBURG

	Nov. 7	Nov. 6	1975 High	1975 Low
Industrials	212.8	210.9	236.9 (16/7)	188.2 (23/1)
Gold	243.0	245.7	379.1 (2/1)	203.3 (10/9)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Nov. 6	Oct. 30	Oct. 23
On Dividends	6.59	6.50	6.47
On Earnings	11.01	10.77	10.58

SYDNEY ALL ORD. INDEX

Nov. 7	Nov. 6	High 1975	Low 1975
401.47	400.72	422.40 (14/10)	289.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Nov. 7	Nov. 6	High 1975	Low 1975
315.50	313.08	333.11 (2/7)	268.24 (10/1)

HONG KONG INDEX ɸ

Nov. 7	Nov. 6	High 1975	Low 1975
309.35	312.68	341.57 (9/6)	160.42 (9/1)

SINGAPORE INDEX §

Nov. 7	Nov. 6	High 1975	Low 1975
229.09	230.48	268.6 (11/6)	154.0 (8/1)

EUROPE

	Nov. 7	Previous	1975 High	1975 Low
Belg'm (a)	99.25	98.18	111.81 (15/5)	89.07 (2/1)
Denm'k (b)	97.77	97.13	97.93 (4/11)	75.06 (14/1)
France (d)	67.0	67.1	72.6 (25/4)	51.70 (2/1)
Germ'y (e)	727.9	729.1	736.0 (4/11)	575.0 (2/1)
Holland (f)	87.5	87.3	101.0 (5/5)	83.2 (2/10)
Italy (g)	80.61	80.30	108.56 (21/2)	75.41 (17/10)
Spain (h)	89.67	96.18	110.36 (22/4)	91.85 (19/9)
Sweden (k)	406.88	407.00	407.32 (24/10)	310.58 (2/1)
Switz'rl'd (m)	283.0	283.3	300.1 (6/6)	206.5 (2/1)

Indices and base dates (all base values 100):— (a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Milan 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (u) Unavailable. ɸ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. † Adjusted.

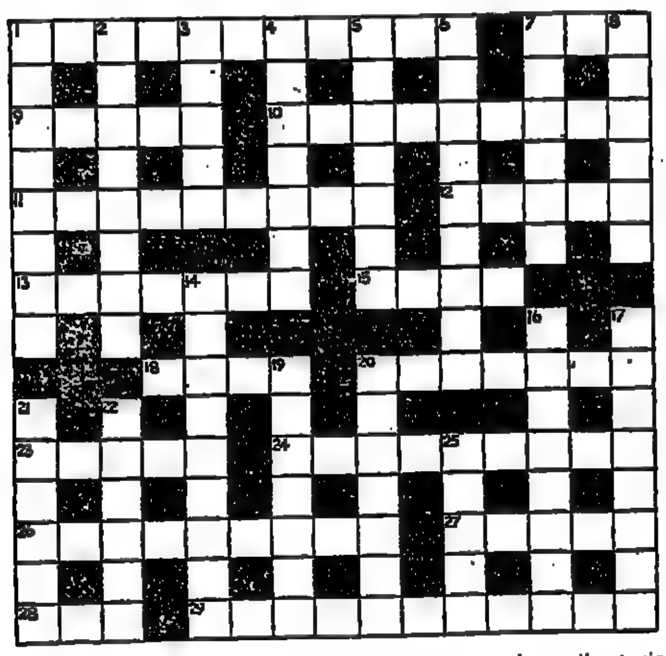
F.T. CROSSWORD PUZZLE No. 2,926

A prize of £3 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....



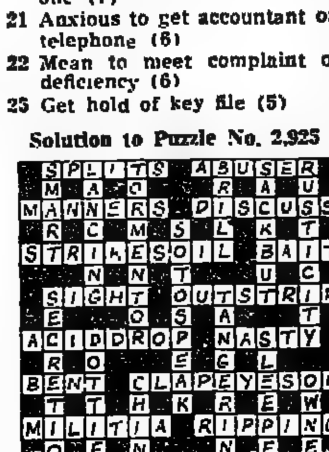
ACROSS

1 Show enmity to speculator indisposed to pleasure (4, 3, 4)
7 Horse using its loaf (3)
9 Catch artist with part of coconut (5)
10 Leave magician to evangelist (9)
11 Golf prize for footman? (6, 3)
12 Dog making noise disappear (5)
13 Masterly impression made by typist before running off (7)
15 Remarks directed against lodgings (4)
18 Toilet preparation used in ancient alchemy (4)
20 Condition for six like this (7)
23 Course he's a north Briton (5)
24 Referred to as educated (7, 2)
26 Spare fashionable book (2, 7)
27 Is beer taken round part of church? (5)
28 Man fired in November (3)
29 Machine causing revolution in print (6, 5)

DOWN

1 Reaction to second laundry (8)
2 Dismayed when a quiet friend went first (8)
3 One is taking a long time to get into the picture (5)
4 Reasonable record of journey to one American state (7)
5 Flat one dips in for a break (7)
6 Doesn't move but tells stories to pet on leave (4, 5)
7 Officer ought to go to New York for settlement (6)
8 Stop on line in Lancs (6)
14 Beater tells Charles it's the Queen (9)
16 Test said to produce repugnance (8)
17 Squeeze takes care of a thousand papers (8)
19 Taxi altered rate of entertainment (7)
20 He blazes trail to jetty about one (7)
21 Anxious to get accountant on telephone (6)
22 Mean to meet complaint of deficiency (6)
25 Get hold of key file (5)

Solution to Puzzle No. 2,925



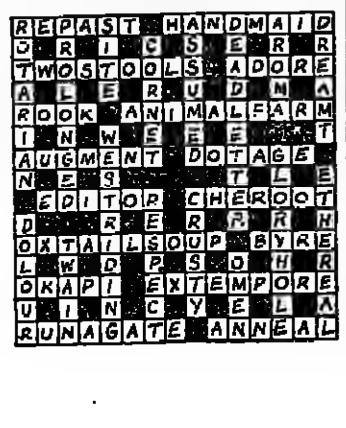
SOLUTION AND WINNERS OF PUZZLE No. 2,920

Following are the winners of last Saturday's prize puzzle:

Mr. R. W. Head, Timberden Farm, Shoreham, Sevenoaks, Kent TN14 7TX.

Mr. P. P. Thomas, Westbury Travers, Tunstead Road, Hoveton, Norwich NR12 8QN.

Mrs. M. K. Turner, 22 Hasley Road, Burley-in-Wharfedale, Ilkley, West Yorkshire.



RACING

BY DARE WIGAN

Petty Officer can go out winning

MANY WILL be hoping that *Petty Officer* will win the William Hill November Handicap (3.00) at Doncaster before he retires to the hunting field. Increasing years have blunted his speed, but I believe he has a sporting chance of doing so.

Certainly, Arthur Budgett will have done everything to produce his old favourite in peak condition. I fear the Irish challenger Onward Taroo and Ribellaro, but Petty Officer gets my vote.

A line taken through Nagin based on the Vernons Spring Trial Stakes on October 4, and the Doncaster Stakes run here three weeks later, suggests that *Persian Breeze* ought to be too good for Lazenby in the Bilby Stakes (1.00).

This view is reinforced by the fact that Persian Breeze would almost certainly have finished closer than he did to Gentilhombre and Nagin at Haydock had his rider not elected to remain on the far rails.

Clem's Boy, who goes well for an apprentice, may duplicate his success over the course a fortnight ago by taking Ollerton Handicap (2.00).

With the exception of these three races, the remaining 21 events on to-day's four programmes at Doncaster, Cheltenham, Newcastle and Windsor are under National Hunt rules, the most valuable by far being the Mackeson Gold Cup Handicap Chase (2.05) at Cheltenham.

J. Berry, who trains at Cockesham, Lancashire, has engaged Martin Dickinson for *Duffle Coat*, who after an easy victory at Perth in September, won the John Mackay Handicap Chase at Ayr on October 11 by ten lengths from Meridian II.

That race was run over three miles and half a furlong, so Duffle Coat will stay to-day's distance of two and a-half miles and I take him to win from Royal Frolic and Roman Pastures.

Successor, winner of the corresponding event last year, is preferred to Cantlie in the Chaplin Handicap Hurdle (1.00). *Neon Star*, who jumped these fences accurately when a close second to Fire Red last month, can go one better in the Coventry Novices Chase (3.10).

At Newcastle, *Super Nova*, fit from the Flat, is taken to hold Skiddaw View in the Ladbroke Handicap Hurdle (2.15). *Lewacre* is preferred to Riga in the Panama Cigar Hurdle Qualifier (1.45).

At Windsor, I like the look of *Blue Bidder* in Division I of the Thames Novices Hurdle (1.15) and *Colonius* in the Buckinghamshire Handicap Chase (1.45).

DONCASTER

1.00 Persian Breeze**
1.30 Grando King
2.00 Clem's Boy
2.30 Forest King
3.00 Petty Officer***

CHELTENHAM

1.00 Successor
2.05 Duffle Coat*
2.40 Hodge Hill
3.10 Neon Star

NEWCASTLE

1.45 Lewacre
2.15 Super Nova

WINDSOR

1.15 Blue Bidder
1.45 Colonius

LLOYDS TO HELP ROMAN SITE DIG

Lloyds Bank has given £2,000 to help excavate a Roman archeological site in the garden of its branch in Alcester, Warwickshire. The site is believed to contain remains of a fort, possibly of the first century AD.

SPAIN ♥

November 7	Per cent.	
Asland	267	—
Banco Lopez Quesada	739	—
[illegible]		
Grupo Velazquez (400)	440	+ 8
Hidrola	166.75	+ 4.75
Iberduero	228.50	+ 4.50
Motor Iberica	224	+ 2
[illegible]		

OVERSEAS SHARE INFORMATION

NEW YORK

[illegible]

CANADA

[illegible]

GERMANY ♦

[illegible]

MILAN

[illegible]

AUSTRALIA

[illegible]

TOKYO ¶

[illegible]

PARIS

[illegible]

SWITZERLAND ⁰

[illegible]

COPENHAGEN

[illegible]

AMSTERDAM

[illegible]

JOHANNESBURG

[illegible]

BRUSSELS

[illegible]

STOCKHOLM

[illegible]

OSLO

[illegible]

VIENNA

[illegible]

Investment premium based on $2.60 per £1—$104½% (106½%).

LABOUR NEWS

We will cause chaos say civil servants

BY LORELIES OLSLAGER, LABOUR STAFF

LOW-PAID civil servants in London are threatening to cause chaos in Government departments, to road traffic, in the docks and at Heathrow airport by taking industrial action over their cost-of-living allowances.

They are *protesting* against the Government's decision to phase out London allowances from the calculation of shift and overtime pay over the next three years.

More than 4,000 members of the Civil Service Union left work yesterday to attend a mass meeting at which they pledged support for further industrial action.

Traffic wardens, government messengers, museum warders, police garage staff and security guards were among those who attended. As a result, 16 London museums and art galleries had to close for at least part of the day and police had to take over school crossing patrols and point duty normally done by traffic wardens.

Vagabonds

Leaders of the union will meet early next week to map out a programme of further action by the 20,000 CSU members in London. They have already threatened that there could be no messengers to carry government papers, no places for the homeless to go to and severe disruption in the port of London and at Heathrow.

Mr. John Vickers, the union's general secretary, told the meeting that the Civil Service Department, with whom London allowances are negotiated, were an "unscrupulous band of vagabonds." Unless the department learnt to conduct itself with "decency and honesty" it would be facing "not an audience, but an army."

Incensed

The CSU is incensed because the proposal to phase out London *allowances from* the calculation of shift and overtime pay would considerably slow down future increases in its members' earnings.

The Civil Service Department has calculated that a museum warder, for example, could lose up to 83p a week in overtime pay next April, when the three-year phasing-out process is to begin.

The other civil service unions are also opposing the proposal and are trying to convince the department to drop it before the contentious issue of this year's increase in London allowances goes to arbitration. So far, though, only the CSU is taking action.

The unions have rejected the offered increases as insufficient.

Ambulance men win £6 rise

By Our Labour Staff

ABOUT 16,000 ambulance workers will receive the full £6-a-week pay rise permitted under the Government's counter-inflation strategy from next January under an agreement negotiated yesterday.

This brought the number of public sector workers who have been granted the full permitted pay rise to 400,000 within the past seven days. They include about 250,000 hospital ancillary workers, 10,000 local authority engineers, 90,000 local authority building workers and 5,500 local authority electricians.

The majority of ambulancemen currently receive £38 a week in basic pay. The £6 rise will be a flat rate addition to earnings, however.

The rise will add about £5m. to the ambulance workers' pay bill next year. The Department of Health stressed last night that this meant additional pressure on finances and appealed to the ambulance workers to help in maintaining the standard of services.

During the negotiations, the trade unions sought an earlier date for implementing the new agreement on the grounds that the current agreement would run for 14 months. But this was rejected by the employers.

● BRITAIN'S 60,000 shoe workers are to receive wage increases of £6 a week giving them a basic minimum of more than £32, it was announced yesterday by a joint committee of the National Union of Footwear, Leather and Allied Trades and management officials.

The industry is also aiming for a closed shop by November next year.

ACAS studies newspaper industrial problems

BY OUR LABOUR REPORTER

THE ADVISORY Conciliation and *Arbitration* Service has launched a comprehensive drive for information which will be used as the basis of its evidence to the Royal Commission on the Press on newspapers' industrial relations.

A feature of ACAS research work is its intention to hold confidential "informal discussions" with lay union officials employed by national and provincial newspapers as well as with various levels of management.

ACAS has already cleared the ground for this detailed investigations in discussions with national printing union leaders and newspaper managements. Its studies will involve questionnaires to management and unions at individual newspaper houses, and analysis of records and documents provided by both sides of the industry and continuing discussions with employers' representatives and union leaders.

The Royal Commission requested the industrial relations study last May and ACAS is hoping to complete its report early next year. It will almost certainly have to take into account the impact of the newspaper industry's financial crisis and of the various modernisation plans, based on a reduction of manning levels, now being drawn up by several national newspapers.

Airline cargo staff vote to end strike

BRITISH AIRWAYS cargo staff voted yesterday to accept a formula worked out by the airline and national joint council officers and agreed on an immediate return to work.

The workers, members of the Association of Professional, Clerical and Computer Staff (APEX), had been on strike for six days over a new working agreement.

The strike cost the airline more than £1m. in lost revenue.

British Airways said yesterday that it was prepared to accept a roster produced by the staff which met with operational requirements. It would re-instate staff without loss of status or seniority, but would not agree to restore earnings during the period of suspension or dismissal.

Orders for oil platforms disappointing, Benn says

BY RAY DAFTER

OFFSHORE OPERATORS in the North Sea are expected to order four to six oil or gas production platforms by the end of next year, the Commons was told yesterday. Companies have told the Department of Energy that they cannot bring forward orders to help the builders out of their growing difficulties.

Mr. John Smith, Under-Secretary for Energy, said that the Department was discussing the timing of orders with oil companies. "We will take all appropriate steps to encourage the placing of the orders with U.K. yards."

Mr. Anthony Wedgwood Benn, Energy Secretary, has written to two trade unions that a Department plea for early orders has met with a disappointing response.

The Government and the construction industry are concerned that without the prospect of new orders in the next few months the long-term platform building capability may be placed in jeopardy.

There is a growing threat that yards now completing order books will be forced to lay off trained and skilled teams by next summer unless oil companies make definite commitments.

About 20 companies have replied to Mr. Benn's plea for an early decision on platform orders. Mr. Benn has written to Mr. James Jack, general secretary of the Scottish Trades Union Congress, that almost without exception the chairmen of the companies had accepted that the Government was concerned about the ordering position. They had declared their willingness to co-operate with the Government to ensure that as much business as possible went to U.K. companies.

On the other hand, none felt able to bring forward orders. "It is clear, therefore, that both we and the oil companies have a difficult situation to tackle if the short-term problem of continuity is going to be ameliorated.

"I cannot hold out much hope of overcoming the problem completely, but I am examining it further and I will keep in touch," Mr. Benn wrote.

His letter to Mr. Jack Jones, general secretary of the Transport and General Workers' Union, outlined the work that his Department had undertaken to resolve the platform-ordering problem.

● High numbers of deaths or injuries must not be the price paid for North Sea oil, Mr. Harold Walker, Employment Under-Secretary, said yesterday. Too often a high level of death or injury had been tolerated as the price to be paid for "bringing infant technologies into the world."

Mr. Walker was presenting certificates to newly trained divers at the Underwater Training Centre, Fort William, Scotland. He said that it was encouraging that in the same week that the first North Sea oil had been piped to a British refinery from the U.K. sector, divers had completed their first underwater working course to be run to a national standard.

● Dundee Kingsnorth, the first independent British-owned and *operated semi-submersible* drilling rig, moved into position in the North Sea yesterday to begin a two-year contract for Conoco.

The £18m. rig, owned by Kingsnorth Marine Drilling, a division of Houlder Offshore, is manned by a British crew. It will drill an exploration well on Block 16/23, 150 miles offshore from Aberdeen.

Farms' real incomes 'show big fall'

BY PETER BULLEN

IN REAL TERMS farmers' management and investment income declined by 23 per cent. over the two crop years 1972-74, the annual report on ICI Recorded Farms showed yesterday.

The report based on the results of 235 farms in England and Wales for the 1974 crop year, showed the "absolute disaster" that had occurred on meat producing farms, commented Mr. Robin Nicol, ICI farm management economist.

Arable farmers fared better but in the present crop year their incomes would fall, said Mr. Nicol. Dairy farmers would see little change and meat producers would have a poor year.

The National Farmers' Union —which claimed the report provided firm evidence of the critical situation which farming faces—said it was difficult to see how the situation, even in money terms, was likely to improve in the 1975 crop year in view of the cost inflation that had taken place with no commensurate increases in prices received by the farmer.

John Cherrington, Agriculture Correspondent, writes: The results of the ICI farm recording scheme for 1974 show that, although the gross margins of all farms increased over the period, the actual management and investment income—the measure of profitability—has remained at roughly the same level since 1972, rising only 6 per cent.

The fall in the value of sterling has meant that in real terms this factor has actually decreased by *23 per cent. over the period.*

Within the sample there is a marked variation in the results. The worst performers over the two years have been those farmers in dairying or producing meat, with management and investment income falling from £64 to £40 per acre and from £25 to £3 per acre respectively.

Cereal and general cropping farms, though, have practically doubled their management and investment income and appear so far to have kept pace with inflation.

A significant feature of these results is that the top 25 per cent. of the farms in the sample increased their lead over the average during the period under review, especially on the dairy and meat farms, which had suffered a particularly difficult time due to increased fodder and concentrate costs.

Predictable end for Convention

THE NORTHERN IRELAND Constitutional Convention fiddled away its final hours yesterday in a predictable atmosphere of anti-climax. Then the United Ulster Unionists Coalition closed ranks to reject a last-minute Alliance Party move to extend the assembly's life, and pushed through its hard line anti-power-sharing report.

At the division which ended the Convention the UUUC, backed by Mr. William Craig's dissident Vanguard supporters, voted en masse for their report, opposed by the SDLP Alliance, Mr. Brian Faulkner's Unionist Party of Northern Ireland, and Mr. David Bleakley of the Northern Ireland Labour Party. The voting was 42 in favour and 31 against.

The determination of the Loyalist coalition to push through the report without the slightest concession to power-sharing—in spite of the conversion of Mr. Craig to that cause—will put Westminster and Mr. Merlyn Rees, the Ulster Secretary, virtually back to the position before the Convention was elected.

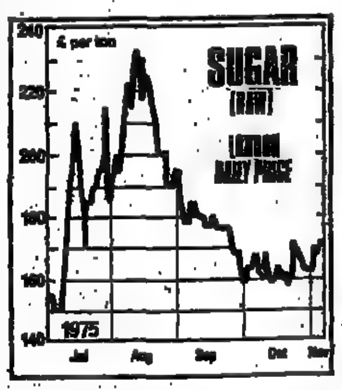
Mr. Rees announced the release of another ten detainees.

COMMODITIES/Review of the week

Downturn in cocoa market

BY OUR COMMODITIES STAFF

SENTIMENT ON the London cocoa market turned round sharply towards the end of the week in response to reports of better availability of nearby supplies. Earlier values had moved ahead despite a USDA *forecast* that the 1975/76 world crop would reach a record 1,595,800 tonnes. But with Nigerian supplies appearing to come through more smoothly and large quantities continuing to arrive from Brazil and the Ivory Coast, the market tone deteriorated noticeably on Thursday and Friday. The March position, on the London terminal market ended the week £18.5 lower at £629.25 a tonne, after having climbed to a 10-month peak of £664.75 at one time.



Coffee values also ended sharply lower as consumers continued to hold off the market. The January futures position ended £32.5 lower on balance at £699.5 a tonne.

At the International Coffee Organisation talks in London, meanwhile, talks continuing at contact group level were reported to be going ahead smoothly. Observers noted a constructive attitude from both producers and consumers and members of the group are expected to report back to their respective official delegations on Monday. The contact group is basically concerned with the main principles of the proposed new international agreements and no progress at a "nuts and bolts" level will be possible until its deliberations are concluded.

Sugar prices ended a little higher on the London terminal market with the London daily price being fixed yesterday at £172 a ton, up £9 on the week, and the March position closing at £171.2 a ton, £2.325 higher. The stronger tone was helped by reports that the EEC beet crop could produce as little as 9.3m. tonnes of white sugar. This compares with earlier hopes of an 11m. tonnes outturn and last year's disappointing 9.1m. tonnes crop. This estimate and fears that the Soviet Union might soon emerge as a major buyer on the world market, are expected to result in a virtual ban on EEC sugar exports during the coming months.

Base metal prices all ended higher *this week despite* a general decline on the London Metal Exchange yesterday.

Cash copper fell £1.75 to £586 a tonne yesterday but still finished £6.25 up on the week. The steadier tone was basically a technical reaction after the recent decline. LME warehouse stocks are expected to reach another new record though the rise is not thought to be as big as last week's.

After advancing steadily for most of the week the cash tin price was yesterday trimmed back by £11.5, to end £21.5 higher on balance at £3,036 a tonne. Buffer stock buying was reported to have been behind the rise both in London and Penang. Market sentiment was further encouraged by *an announcement* that the International Tin Council has been authorised to seek an increase in the buffer stock's standby credit facility by about £20m. to £36m., although the exact amount is to be decided at the Council meeting on November 17.

WEEKLY PRICE CHANGES

	Latest price per ton unless stated	Ch'ge on week	Year ago	1975 High	1975 Low
Metals					
Aluminium (w)	£396	—	£381.5	£395	£378.5
Free Market c.i.f.	£303-320	−5	£315-330	£360-380	£270
Antimony (99%A.w.)	£1,460	—	£1,960	£1,860	£1,450
Free Market (99%)	£1,600-1,500	+12.5	£1,775-1,875	£1,600-775	£1,200
Copper					
Cash Wire Bars (w)	£586	+6.25	£622	£625.75	£498.75
3 mths Do. Do. (w)	£606.75	+6.0	£641.5	£648.75	£516.75
Cash Cathodes (w)	£572.25	+5.75	£607.5	£612.75	£488.5
3 months Do. (w)	£592.25	+3.75	£625	£634.3	£506.5
Gold per oz	$144.75	+1.0	$184½	$186	$129.75
Lead Cash § ton (w)	£167.25	+2.75	£230.5	£227.5	£145
3 months § (w)	£175.25	+3.0	£225.5	£219.375	£147.75
Nickel (h) (w)	£2,548	—	£1,806-99½	£2,548	£1,792
Free Market c.i.f.lb	$1.8-1.95	+0.02	$1.95-2.1	$1.95	$1.71-1.5
Platinum(bph)per oz	£75.5-80.5	−1.0	£83-97	£87.75	£65½-69½
Free Market per oz	£71.3	+0.7	£84½-88½	£81.4	£59¾
Quicksilver					
Flask (76lbs)q	$94-88	−6	$248-53	$200	$90-94
Silver per oz	211.9p	+10.2	209.4p	242.1p	167.1p
3 months per oz	218.5p	+10.45	215.9p	255.9p	172.2p
Tin cash (w)	£3,036	+21.5	£3,205	£3,437.5	£2,964
3 months (w)	£3,098	+43.5	£3,205	£3,276.5	£2,922.5
Wolfram					
m ton unit	£40.42	—	£41½-43½	£42-43.5	£37¼
Zinc Cash (w)	£349.75	+3.0	£345	£360	£296
3 months (w)	£361.25	+2.875	£344.5	£372.75	£280.5
Producers (w)	£360	—	£360	£380	£360
Grains					
Barley					
EEC	‡	—	£68	£69.9	£47
Home Futures	£59.85	−1.15	£83.5	£65.95	£47.15
Maize					
French No.3 Yellow (American)	£65.75	+1.75	£74	£69.75	£56
S.A. Yellow Flint	£71.5	—	‡	£78.25	£58.5
Wheat					
No. 1 Red Spring	‡	—	£114	£109.1	£109.1
Am. No. 2 Hard Winter	‡	—	£107.55	£98.5	£83.8
Australian					
Eng. Milling	£85.5	−1.5	£68	£88.5	£60.0

	Latest price per ton unless stated	Ch'ge on week	Year ago	1975 High	1975 Low
Spices					
Cloves (g)	£2,600	—	£2,380	£2,600	£2,350
Pepper, White (q)	£930	−10	£885	£949	£835
Black (q)	£750	−5	£725	£835	£620
Oils					
Coconut Malaysian	‡	—	‡	£178	£160*
Groundnut 5% (w)	£408	−32	£492	£498	£325
Linseed, Crude (w)	£400	—	£597	£620	£392
Palm Malayan (g)	£185	−7	‡	£229	£140
Soyabean Eur'p'n(f)	‡	—	‡	—	—
Seeds					
Copra (Philippines) (g)	$195	+2.5	$550	$445	$192.5
Groundnut Nig (a)	‡	—	‡	—	—
Linseeds, can. No. 1 (g)	£151.5	−6.5	£258	£239.5	£137.5
Other Commodities					
Cocoa Shipment (u)	£670	−32	£937.5	£796	£515
Fts 2nd pos	£629.25	−18.5	£930.5	£688.75	£441.5
Coffee Shipment (c)	‡	—	49	72.5	47
Future 2nd position	£699.5	−32.5	£467.75	£855	£502.75
Cotton outlook "A" Index c/s./lb	55.2	−0.45	51.1	55.85	48.5
Des Coconut (n)	£300	—	£500	£385	£280
Jute LJABWC grade	£195	—	£228.5*	£244	£195
Rubber Kilo	35p	+0.5	26.00p	37p	23.0p
Sago Pearl	£142	—	£152	£162	£140
Sisal E.A. No.1	$550*	—	$1,125	$1,125	$555
No. 3 L	$500*	—	$1,105	$1,105	$500
U.G.	$480*	—	$1,070	$1,070	$480
Sugar (q) (raw)	£172	+9.0	£530	£480	£128
Sulphur (y)	$75	—	$75	$75	$75
Tapioca No. 1 (g)	£128	—	£133	£153	£118
Tea (quality) Kilo	70p	−1.0	73p	66p	64p
(plain) kilo	51p	—	54p	59p	46p
Woolltops 64s Warp	204p kilo	—	174p kilo	204p kilo	172p kilo

§ Official close. ‡ Unquoted. * Nominal. b U.K. and Commonwealth refined. c Uganda Robusta 10 unwashed f.o.b. Mombasa indicative price. g Madagascar. h Delivered. Delivered U.K. f.o.b. Liverpool. q C.I.F. Continental port Ex-tank Rotterdam. y Liquid sulphur ex-tank Rotterdam. n Medium Metric ton. s Sisal quoted in U.S. $ from 28/12/73.

MARKET REPORTS

BASE METALS

COPPER—Lower on balance on the London Metal Exchange. Prices were initially firmer owing to short-covering which pushed forward metal up to £611 at one time. The market failed to sustain the higher levels, however, and prices slipped back owing to a combination of profit-taking and week-end book squaring. The lower opening of Comex also dampened sentiment and forward metal ended at £606.5 on the afternoon Kerb. Expectations of another fair-sized increase in the already record warehouse stocks figure had little market impact. Turnover, 9,100 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Wirebars				
Cash	589-.5	+4.5	585.5-6.5	−1.75
3 months	609.5-10	+3.5	606.5-7	−2
Settlem't	589.5	+4.5	—	......
Cathodes				
Cash	574.5-5	+2.75	572-.5	−1.25
3 months	595.5-6	+3.25	592.5-3	−2
Settlem't	575	+3	—	......
U.S. Smt.	—	......	*63-65.7	......

Amalgamated Metal Group reported that in the morning cash wirebars traded at £589.5, 90, 89.5, 89, early Feb. £610, three months £610 to 11 to 10. Cathodes: cash £575, three months £595.5, 96. Kerbs: Wirebars: cash £588, three months £609, 08, 07, 07.5. Afternoon: Wirebars: three months £607, 6.5, 6, 6.5, 7, 6.5. Cathodes: three months £593. Kerbs: Wirebars: three months £606.5.

TIN—Lost ground. The further rise in Penang overnight where it was thought that there had been quite large buying on behalf of the buffer stock manager caused an initial upward movement in prices here with forward metal trading at £3,105 at one time. Trade and hedge selling and week-end profit-taking then caused a reaction and the price ended at £3,087, slightly above the day's lowest. Little change is expected in warehouse stocks over the week during which cash metal has added £31 and forward put on £43. Turnover, 425 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grade	£	£	£	£
Cash	3042-5	−14	3035-7	−11.5
3 months	3092-4	−8.5	3085-7	−10
Settlem't	3043	−15	—	......
Standard				
Cash	3042-5	−14	3035-7	−11.5
3 months	3092-4	−8.5	3085-7	−10
Settlem't	3043	−15	—	......
Straits E	$1,949	+2½	—	......
New York	—		295-332	

Morning: Standard: cash £3,055, 50, 43, early Dec. £3,062, three months £3,105, 02, £3,100, 95, 90. High Grade untraded. Kerbs: Standard: cash £3,038 three months £3,090, 87. Afternoon: Standard: cash [illegible]

[illegible]

noon: cash £350, three months £360, 61.5. Kerb: three months £361.5.

FREIGHTS

OIL TANKERS—Fairly active with a reported fixture by Shell Houston of a VLCC from Persian Gulf to Caribbeans at about Worldscale 17½—2½ points higher than recent supertanker fixtures. Exxon arranged a 70,000-tonner with 60,000 tons cargo from Persian Gulf to Durban, prompt loading, at Worldscale 60, and Mobil took a 60,000-tonner from Persian Gulf to East Africa at W.66. Hoegh Line is reported to have taken a 100,000-tonner from Indonesia to the West at W.25.

DRY CARGO—Interest in grain on Soviet account was maintained and cargoes were fixed from the U.S. North Pacific to the Black Sea at $12 f.i.o. for Nov./Dec. and to Nakhodka at the same rate for Nov./Dec., also for the U.S. Gulf to the Black Sea at $9.50 f.i.o. for Dec. Other grain charterers were also active and booked tonnage from the U.S. Gulf to the Netherlands at $6.25 f.i.o. for Nov., from U.S. Gulf to Europort at $5.25 f.i.o. for Dec. and from St. Lawrence to Marseilles at $10 f.i.o. for Nov./Dec. Other grain fixtures included Gt. Lakes to Algeria at $26.50 f.i.o. for Nov. and from U.S. Gulf to Japan at $11 f.i.o. for Dec., also from the River Plate to Ghent/Hamburg range at $217,500 f.i.o. based on 14,200 long tons for Nov./Dec. Time-charterers fixed a vessel of 28,386 long d.w.t. for a voyage from the Continent to St. Lawrence, Eastern Canada or northern range at $2,000 daily. Nov., and a vessel of 26,396 long d.w.t. for a trip from East Coast South America to U.K./Continent/Mediterranean at $4,000 daily.

SILVER

Silver was fixed 2p an ounce lower for spot delivery in the London bullion market yesterday at 211.9p. U.S. cent equivalents of the fixing levels were: spot 436.7c, down 5.1c; three-month 447.8c, down 5.3c; six-month 458.8c, down 5c; and 12-month 478.4c, down 5.3c. The metal began at 212-213p (439-441c) and improved at the close to 212.2-214.2p (441-443½c), after a day of moderate activity.

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. close	+ or —
Spot	211.9p	−2.0	212.7p	......
3 months	218.5p	−2.2	219.35p	−2.2
6 months	225p	−2.2	—	......
7 months	—	......	229.0p	+0.1
12 months	239.2p	−3.2		

LME—Turnover 212 (256) lots of 10,000 ozs. Morning 219, 19.3, 19.2, 18.8, 18, 17.8. Kerb: Three months 217.8, 17.7. Afternoon: Three months 218.8, 19, 19.2, 19.1, 19.2, 19.4. Kerb: Three months 219.4, 19.3.

COCOA

Prices declined sharply again on continued long liquidation, reports Gill and Duffus.

[illegible]

COFFEE

[illegible]

U.S. cents a pound. Colombian Mild Arabicas 86.75. Other Mild Arabicas 77.25. Unwashed Arabicas Santos Fours 84.00. Robustas 71.75. Daily average 82.52.

GRAINS

THE BALTIC—All sections of the imported grains market experienced dull trading conditions with buyers generally remaining reserved despite slightly easier offering levels.

[illegible]

RUBBER

[illegible]

SOYABEAN MEAL

[illegible]

MEAT/VEGETABLES

[illegible]

English produce—Lettuce: Per 12, round 0.40-0.50. Potatoes—Per 56 lbs Whites 2.50, Edwards 2.40. Cabbages—Per bag Primo 0.80-0.90. Cauliflowers—Per 12, 0.80-1.20.

SUGAR

LONDON DAILY PRICE (raw sugar) £172 (£163) a ton c.i.f. for Nov.-Dec. shipment. White sugar daily price was fixed at £180 (£173) a tonne.

The London Terminal Market opened [illegible]

[illegible]

WOOL FUTURES

[illegible]

FINANCIAL TIMES

[illegible]

REUTER'S

[illegible]

DOW JONES

[illegible]

MOODY'S

[illegible]

U.S. Markets

New rise in precious metals

NEW YORK, Nov. 7.

PRECIOUS METALS closed higher on renewed commission house buying while copper eased on light profit-taking. Cocoa, coffee and sugar all fell under the weight of speculative liquidation, while grain futures closed mixed, influenced by speculative buying and commercial hedging, Bache reports.

Cocoa—Ghana spot 70½ (72 nom.). Bahia spot 62 (63½ nom.). Dec. 59.60 (60.80), March 56.40 (56.85), May 54.60, July 52.90, Sept. 51.60, Dec. 49.90, March 49.25. Sales: 1,069.

Coffee—Spot Santos No. 4 unquoted (same). Colombian Mams unquoted (same). "C" Contract: Nov. 76.50-76.50 (78.95), Dec. 77.55-77.00 (77.37), March 77.00, May 77.20, July 77.00, Sept. 78.30 nom. Sales: 472.

Copper—Nov. 56.40 (56.60), Dec. 56.90 (57.00), Jan. 57.40, March 58.50, May 59.70, July 60.70, Sept. 61.70, Dec. 63.00. Sales: 2,356 lots.

Cotton—Dec. 52.15-52.20 (52.17), March 53.60-53.65 (53.65), May 54.50-54.55, July 55.03-55.05, Oct. 56.00-55.10, Dec. 55.20-55.30, March 55.50-55.60. Sales: 1,850.

ΦGold—Nov. 145.60 (145.50), Dec. 146.10 (146.00), Jan. 146.90, Feb. 147.60, April 149.70, June 151.60, Aug. 153.50, Oct. 155.40, Dec. 157.40, Feb. 159.20. Sales: 303 lots.

Greasewool—Spot 157.0 nom. Dec. 155.0-158.0 (155.0), March 150.0-155.0 (150.0), May 148.0-155.0, July 145.0-153.0, Oct. 145.0-150.0, Dec. 145.0-150.0, March 142.0-151.5.

†Lard—Chicago loose 26 (27 asked). NY prime steam 27½ nom. (26½ nom.).

††Maize—Dec. 272-273½ (275½), March 280-280½ (282), May 284-284½, July 286-285½, Sept. 277½, Dec. 268, March 274½.

‡Platinum—Jan. 150.90 (150.00), April 154.40 (153.50), July 157.50, Oct. 162.50, Jan. 166.40-166.60, April 170.40-170.60. Sales: 233 lots.

‡‡Silver—Spot 442.00 (439.00). Nov. 446.00 (441.50), Dec. 445.00 (442.50), Jan. 451.50, March 459.00, May 466.50, July 473.80, Sept. 451.10, Dec. 492.10, Jan. 495.70, March 502.50. Sales: 26,343.

*Soyabeans—Nov. 495-496 (494½). Jan. 504-505½ (505½), March 514½-513½, May 520-521, July 524-523, Aug. 522, Sept. 524, Nov. 529-527, Jan. 526.

*b*Soyabean Meal—Dec. 131.00-130.80 (130.80), Jan. 131.00-130.50 (131.50), March 133.00-133.50.

Soyabean Oil—Dec. 20.35-20.45 (20.05), Jan. 20.30-20.40 (19.93), March 20.30, May 20.25-20.30, July 20.35-20.30, Aug. 20.35-20.30, Sept. 20.25 asked, Oct. 20.00-20.10.

Sugar—Contract No. 11. Spot 14.25 (14.70). Jan. 14.76 nom., March 14.73-14.78, May 14.65-14.70, July 14.62, Sept. 14.59, Oct. 14.55-14.58, March 14.40. Sales: 2,306.

Tin—295.00-332.00 asked.

**Wheat—Dec. 370-371 (373), March 384½-385 (387½), May 390, July 389, Sept. 395½.

WINNIPEG, Nov. 7. ††Rye—Dec. 248½ bid, May 262½ asked, July 257.

*c*Oats—Dec. 156½, May 151 asked, July 151.

§Barley—Dec. 236½, May 232, July 233.

*d*Flaxseed—Nov. 682 bid, Dec. 664 asked, May 684, July 680 nom.

Wheat—SCWRS 13.5 per cent. protein content St. Lawrence 540 (540).

All cents per pound ex-warehouse unless otherwise stated. * Cents per 60-lb bushel ex-warehouse. Φ $'s per troy ounce—100-ounce lots. † Chicago loose $'s per 100 lbs —Dept. of Ag. prices previous day. Prime steam f.o.b. NY bulk tank cars. ‡‡ Cents per troy ounce ex-warehouse. b New "B" contract in $'s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Decatur and Illinois. ‡ $'s per troy ounce for 50-ounce units of 99.9 per cent. purity delivered NY. ** Cents per 60-lb bushel in store. †† Cents per 56-lb bushel ex-warehouse, 5,000 bushel lots. c Cents per 24-lb bushel. § Cents per 45-lb bushel ex-warehouse, 5,000 bushel lots. d Cents per 56-lb bushel, ex-warehouse, 1,000 bushel lots.

This week's SE dealings

Friday, November 7	8,377	Wednesday, November 5	8,159	Monday, November 3	6,552
Thursday, November 6	8,636	Tuesday, November 4	6,812	Friday, October 31	6,213

The list below records all yesterday's markings and also the latest markings during the week of any share not dealt in yesterday. The latter can be distinguished by the date (in parentheses).

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and Stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

The list below gives the prices at which bargains done by members of The Stock Exchange have been recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains, except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business has been done. Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any one price is recorded.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ♦ Bargains done previous day. § Bargains done with members of a recognised Stock Exchange. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

BRITISH FUNDS, ETC (718)

SHORT DATED BONDS FREE OF STAMP DUTY

PUBLIC BDS., ETC.—U.K. (21)

COMMONWEALTH, GOVT. AND PROVINCIAL SECURITIES (18)

CMLWTH. CORPN. STKS. (—)

FOREIGN STKS., BDS., ETC. (8)

INTL. BANK STOCK (1)

CORPN. & COUNTY—U.K. (83)

CORPORATION STKS.—FOREIGN

U.K. AND COMMONWEALTH RAILWAYS (5)

FOREIGN RAILWAYS (1)

BANKS & DISCOUNT COS. (373)

Standard Chartered Bk. 485‡ 5 80‡ 90 82. 13½pcUnscd.Ln. 97
Toronto-Dominion Bk. ($C2) 31⅛
Trade Dvlot. Bk Hldg SA (Reg.) ($US1.50) 6¼ (4/11)
Union Discount London 323♦ 18 (4/11)
Wintrust (20p) 58 (4/11)

BREWERIES & DISTILLS. (284)

CANALS & DOCKS (15)

COMMERCIAL, INDUSTL. (5,087)

A—B

C—D

E—F

G—H

I—J—K

L—M

N—O—P

Q—R—S

Sir Denys Lowson leaves no estate

BY STEWART FLEMING

SIR DENYS LOWSON, the former Lord Mayor of London who headed the controversial Lowson group of trading and investment companies, left nothing in his estate, it was disclosed yesetrday.

He died on September 10 shortly after summonses concerning a £5m. share deal were issued against him. Because of his death the summonses, which accused him of conspiracy to defraud shareholders in certain companies, were not served. Sir Denys's family has said that the accusations against him would have been vigorously contested.

Following his death, family and private interests completed the repayment with interest of the £5m. profit he was alleged to have diverted from shareholders in the deals.

As head of the Lowson empire Sir Denys at one stage was involved in a commercial empire worth £200m. He had been the youngest Lord Mayor of London, in Festival of Britain Year, 1951, when he was 44. He left a gross figure of £154,136 with a net estate of nil.

NEW HIGHS AND LOWS FOR 1975

Too numerous to name individually the 170 new 1975 highs recorded among securities listed in the Share Information Service yesterday are given below in their sub-sections. There were 5 new lows.

NEW HIGHS (170)

BRITISH FUNDS (1)
AMERICANS (6)
CANADIANS (1)
BANKS (1)
BEERS (8)
BUILDINGS (5)
CHEMICALS (4)
CINEMAS (6)
DRAPERY & STORES (17)
ELECTRICALS (12)
ENGINEERING (21)
FOODS (11)
HOTELS (1)
INDUSTRIALS (38)
INSURANCE (4)
MOTORS (10)
NEWSPAPERS (2)
PAPER & PRINTING (3)
PROPERTY (1)
SHIPPING (2)
SHOES (1)
SOUTH AFRICANS (1)
TEXTILES (6)
TRUSTS (8)
OILS (1)
OVERSEAS TRADERS (2)
TEAS (3)
MINES (1)

NEW LOWS (5)

INDUSTRIALS (1)
Bank Bridge
PROPERTY (2)
British Antani Inv. & Prop. Hldgs.
SHIPPING (1)
Sheaf Steam
OILS (1)
Bell & Collins

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	18	—	37
Corpns. Dom. and Foreign Bonds	14	6	51
Industrials	615	175	942
Financial and Prop.	198	50	349
Oils	11	1	21
Plantation	10	2	35
Mines	27	57	69
Recent Issues	11	1	25
Totals	904	292	1,529

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price (p)	Change on week	1975 high	1975 low
ICI	£1	82	301	+ 9	304	118
Shell Transport	25p	62	353	+11	356	118
Weir Group 'New'	Nil/pd.	61	23*	+ 5½	23*	10½*
"Bats"	25p	59	330	+11	338	164
BP	£1	58	587	+22	598	190
Barclays Bank	£1	55	312	+14	325	112
Distillers	50p	54	126	+ 9	150	65½
Debenhams 'New'	Nil/pd.	52	30*	+ 2	31*	24*
Marks & Spencer	25p	51	105	+ 4	128	47½
Rank Org. 'A'	25p	50	165	+ 3	205	78
GEC	25p	49	142	+12	142	51
Grand Met.	50p	48	71	+ 6	72	17½
Midland Bank	£1	48	298	+14	305	122
Bowater	£1	47	176	+ 7	179	50
Courtaulds	25p	44	150	+10	150	53

* Premium.

YESTERDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
Shell Transport	25p	18	353	+ 7	356	118
Debenhams 'New'	Nil/pd.	13	30*	+ 2	31*	24*
ICI	£1	12	301	− 1	304	118
P. & O. Defd.	£1	11	110½	+ 1½	128	59½
British Home Sts.	25p	10	388	+ 1	395	138
BP	£1	10	587	+ 2	598	190
Burmah Oil	£1	10	36	+ 1	100	27
Marks & Spencer	25p	10	105	+ 3	128	47½
Thorn Elect. 'A'	25p	10	220	+ 4	224	75
Weir Group 'New'	Nil/pd.	10	23*	—	23*	10½*
Allied Breweries	25p	9	74	+ ½	75	35½
"Bats"	25p	9	330	+ 2	338	164
Metal Box	£1	9	267	+ 5	286	109½
Reed Intl.	£1	9	251	+ 5	297	124
RTZ	25p	9	185	+ 5	211	80

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) and reproduced to-day in Stock Exchange dealings.

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Oct. 28	Nov. 10	Jan. 22	Feb. 3
Nov. 11	Nov. 24	Feb. 5	Feb. 17
Nov. 25	Dec. 8	Feb. 19	Mar. 2

"Calls" were done in Berry Wiggins, Amalgamated Investment, Bejam, Siebens Oil and Gas, National Westminster Bank Warrants, Dunlop, Francis Parker, Slater Walker, Trust Houses Forte "A" Warrants, Hanson Trust, Evode, Burco Dean, British Car Auction, Burmah Oil, MEPC, Caplan Profile, Charterhall Finance, Lonrho, Trafalgar House, Shell Transport and English Property. No "puts" were reported, while "doubles" were arranged in Dunlop, Berry Wiggins, Trafalgar House, Charterhall Finance, Burmah Oil, Henderson Kenton, MEPC, British Car Auction, Caplan Profile and Premier Oil.

Industrials							
		Grand Met.	7	Slater Walker	9		
		G.U.S. 'A'	17	Spillers	5	Mines	
A. P. Cement	16	Guardian	20	Tesco	6	Anglo Amer.	50
Assoc. Leisure	3	G.K.N.	22	Thorn "A"	17	Broken Hill Pry	75
Barclays Bank	25	Hawker Sidd.	27	Tube Invest.	24	Charter Cons.	22
Beecham	26	House of Fraser	8	Unilever	35	Chart'rh'll Fin.	10
Boots Drug	12	Hudson(Wilms)	4	Utd. Drapery	10	Cons Gold	22
Bowaters	16	I.C.I.	21	Vickers	13	De Beers Def.	35
B.A.T.	40	"Imps"	7	Woolworths	6	F. S. Geduld	350
British Leyland	7	I.C.L.	7			Great Boulder	12
BOC Int.	5½	Inveresk	7	Property		Hampton Areas	16
Burton 'A'	9	Legal & General	15	Cap. Counties	4½	Hampton Prop.	4
Cadburys	5	Lloyds Bank	22	E.P.	8	Kloof	140
Courtaulds	12	"Lofs"	6	Int. Europe	6	Lonrho	13
Debenhams	8	"Mams"	6	Land Securities	18	Loraine	55
Distillers	15	Marks & Sp'ncer	11	Peachey	6	Metals Explor.	8
Dunlop	5½	Midland Bank	25	Town & City	4½	Poseidon	55
Eagle Star	15	Nat'l West Bank	22	Town & Comm.	4	Pres. Steyn	275
E.M.I.	17	P & O Dfd.	10			Rio T. Zinc	20
First National	2	Plessey	8	Oils		Welkom	55
G.R.A. Trust	4	R.H.M.	6	Brit. Petroleum	45	West Areas	75
Gen. Accident	16	Rank Org. 'A'	17	Burmah Oil	5	Western M'ng.	18
Gen. Electric	15	Reed Int'l	25	Shell	30	Zambian Copp.	10
Glaxo	40			Ultramar	21		

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barking (01-592 4500)	12	½-year	1,000	2-5
Burnley (0282 25011)	12½	½-year	1,000	5-5
Greenwich (01-854 8888)	12½	½-year	500	3-5
Haringey (01-889 3131)	12½	½-year	2,000	4-5
Haringey (01-889 3131)	13	½-year	10,000	4-5
Kingswood (0272 673061)	11½	Maturity	200	1
Liverpool (051 227 3911)	12	½-year	500	3-4
Liverpool (051 227 3911)	12½	½-year	500	5-7
Oldham (061 624 0505)	12½	½-year	500	3-5
Oxford (0865 49811)	12½	½-year	5,000	3-5
Peterborough (0733 63141)	12½	Yearly	1,000	2
Peterborough (0733 63141)	12½	Yearly	1,000	3-5
Redbridge (01-478 3020)	12½	½-year	1,000	5-6
Rochdale (0706 47474)	12½	½-year	1,000	3-7
Sandwell (021 569 2226)	12½	½-year	1,000	2-5
Southend (0702 49451)	12½	½-year	250	2-4
Thurrock (0375 5122)	11½	½-year	300	1-2
Wandsworth (01-874 6464)	12½	½-year	5,000	5-7
Wandsworth (01-874 6464)	12½	½-year	1,000	5-7
Wrekin (0952 3571)	12½	½-year	2,000	3-5

BUILDING SOCIETY RATES

	Dep.	Share Accnts.	Sub'pn Shares	Variable Term Shares
Abbey National	6.75%	7.00%	8.25%	●8.00%
Alliance	6.75%	7.00%	8.25%	‡‡7.75%
Anglia	6.75%	7.00%	8.25%	‖7.75%
Birmingham Incorporated	6.75%	7.00%	8.25%	—
Bradford and Bingley	6.75%	7.00%	§8.25%	—
Bristol and West	6.75%	7.00%	8.00%	—
Bristol Economic	6.75%	7.00%	8.25%	†7.25%
Cardiff	6.75%	7.50%	8.50%	—
Chelsea	6.75%	7.00%	9.00%	†7.25%
Cheltenham and Gloucester	6.75%	7.00%	—	‡7.75%
Citizens Regency	6.75%	7.25%	8.75%	—
City of London	7.00%	7.50%	8.25%	—
City and Metropolitan	6.75%	7.25%	7.50%	¶8.00%
Coventry Economic	6.75%	7.00%	8.75%	§§7.75%
Gateway	6.75%	7.00%	8.25%	¶7.75%
Greenwich	6.00%	7.10%	8.50%	—
Guardian	6.75%	7.25%	7.50%	†7.65%
Halifax	6.75%	7.00%	7.50%	¶7.75%
Hastings and Thanet	6.75%	7.00%	8.25%	—
Hearts of Oak & Enfield	6.75%	7.25%	8.50%	—
Hendon	7.00%	7.30%	—	*8.05%
Huddersfield and Bradford	6.75%	7.00%	8.50%	♡7.75%
Leamington Spa	6.87%	7.12%	9.50%	7.50%
Leeds and Holbeck	6.75%	7.00%	8.25%	—
Leeds Permanent	6.75%	7.00%	8.25%	—
Leek Westbourne and ECBS	6.75%	7.00%	8.25%	¶¶7.75%
Leicester	6.75%	7.00%	8.25%	††7.75%
Liverpool	6.75%	7.00%	8.30%	*7.50%
Magnet	6.75%	7.00%	7.75%	♡7.75%
Mornington Permanent	6.45%	7.65%	—	—
National Counties	7.00%	7.25%	8.25%	◇7.75%
Nationwide	6.75%	7.00%	7.50%	♧8.25%
Newcastle Permanent	6.75%	**7.00%	7.75%	8.00%
Northern Rock	6.75%	7.00%	8.00%	‡7.75%
North London	7.75%	8.25%	—	♧9.15%
Norwich	6.75%	7.00%	8.25%	—
Paisley	6.75%	7.00%	7.50%	¶¶7.50%
Property Owners	6.75%	7.50%	8.50%	†7.85%
Provincial	6.75%	7.00%	8.25%	7.75%
Skipton	6.75%	7.00%	8.25%	†7.25%
Sussex Mutual	6.75%	♤7.30%	—	—
Town and Country	6.50%	7.00%	10.00%	¶¶7.75%
Woolwich Equitable	6.75%	7.00%	8.25%	¶7.75%

* Minimum £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. including bonus. ¶ Min. £500 2 yrs. fixed. ‖ 4th issue 2 yrs. ● 2 yrs. over £5,250. ** 7.50% over £5,000. †† 2-3 yrs. ‡‡ 2 yrs. §§ 7.50% 3 mths. notice after 9 mths. ¶¶ 2 yrs. £1,000 min. ♡ Min. £100 2 yrs. fixed. ◇ Min. £1,000 6 mths. notice. ♧ 3 yrs. over £5,000. ♤ £5,000 and over 7.55%. ★ Min. £1,000 3 mths. notice.

U.K. CONVERTIBLE STOCKS 7/11/75

Statistics provided by *data STREAM international*

Name and description	Size (£m.)	Current price	Terms*	Conversion dates	Flat yield	Red. yield	Premium† Current	Premium† Range‡	Income Equ.§	Income Conv.¶	Income Diff.♡	Cheap(+) Dear(−)◇ Current
Alcan Aluminium 9pc Cv. 89-94	12.00	62.00	100.0	76-80	15.3	16.0						
Associated Paper 9½pc Cv. 85-90	1.40	75.00	200.0	76-85	13.2	14.0	10.3	5 to 24	50.7	50.4	−0.5	−10.8
Bank of Ireland 10pc Cv. 91-96	10.25	144.00	35.7	77-80	7.0	5.8	12.0	12 to 22	43.9	60.9	13.2	+ 1.2
BPB 7¾pc Cv. 89-94	4.89	96.50	62.9	73-80	8.1	8.3	5.9	2 to 41	43.3	25.4	2.2	− 3.7
English Property 6½pc Cv. 98-03	19.16	97.00	234.0	76-80	6.7	6.8	−6.8	−18 to 0	34.5	19.3	−14.6	− 7.7
English Property 12pc Cv. 00-05	15.40	94.00	150.0	76-84	12.8	12.8	40.8	19 to 46	83.8	56.0	33.2	− 7.6
Grand Metropolitan 10pc Cv. 91-96	125.50	89.00	120.2	73-78	11.4	11.5	5.8	6 to 16	11.2	17.1	7.0	+ 1.2
Hanson Trust 6½pc Cv. 88-93	4.51	80.00	57.1	76-86	8.2	8.8	12.9	5 to 23	31.6	34.4	3.9	− 9.0
Hewden-Stuart 7pc Cv. 1995	0.72	140.00	280.0	75-95	5.1	4.1	6.4	− 5 to 30	55.7	46.9	−6.7	−13.1
Lyons, J. 7½pc Cv. 1981	3.60	74.00	22.7	75-81	9.9	14.2	135.9	107 to 153	12.4	27.3	47.5	−88.5
Slough Estates 10pc Cv. 87-90	5.50	132.00	125.0	78-87	7.9	6.7	38.3	29 to 48	25.3	58.0	33.8	− 2.5
Tozer, Kemsley 8pc Cv. 1981	7.33	82.00	153.8	74-79	9.8	12.4	30.0	28 to 47	16.0	21.4	8.6	−21.4
Wilkinson Match 10pc Cv. 83-98	11.10	88.75	40.0	76-83	11.7	11.9	53.0	46 to 74	24.1	48.9	42.7	−10.3

* Number of Ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent. of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of Ordinary shares into which £100 nominal of convertible stock is convertible. [illegible] ◇ [illegible]

STOCK EXCHANGE REPORT

Markets good again, but emphasis on second-liners

Index up 3.3 at 369.3, for a week's rise of 18.1

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Oct. 20	Oct. 30	Oct. 31	Nov. 11
Nov. 3	Nov. 13	Nov. 14	Nov. 25
Nov. 17	Nov. 27	Nov. 28	Dec. 9

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Equity markets made another broad advance as one of the busiest weeks for some time drew to a close yesterday: the average daily markings of 7,707 were the highest since the week ending May 23 last. In contrast to the earlier part of the week, the emphasis yesterday was on second-line equities where demand often found the market short of stock and resulted in some good gains.

Trading in the leaders became more two-way, but buyers were still in the majority. Interest waned in the afternoon session and a slightly easier trend developed. Up 4.9 at its best of the day at 1 p.m., the FT 30-share index closed 3.3 higher on balance at a fresh peak for the year 369.3, making a rise of 18.1 on the week. News of the Government's loan application to the International Monetary Fund, which came well "after-hours," had little impact on equities, but Gilt-edged tended firmer after trading quietly steady throughout the day.

The general improvement in equities was shown in the 7-2 majority of rises over falls in FT-quoted Industrials, while the broadly-based FT-Actuaries All-Share Index rose 0.6 per cent. to a peak for the year of 157.41 and a rise on the week of 4.79 per cent.

Funds revive late

Factors usually appertaining to British Funds made little impression on sentiment, until late news of the U.K. application to the IMF for a substantial loan. A fair amount of interest then developed, particularly at the short end where popularity for low-coupon issues revived bringing fresh gains extending to ½. Electric 3½ per cent., 1976-79, rose that much to 80½. Mediums and longs closed unaltered, but shared in the buying after hours' when high-coupon longs were trading ¼ above closing levels.

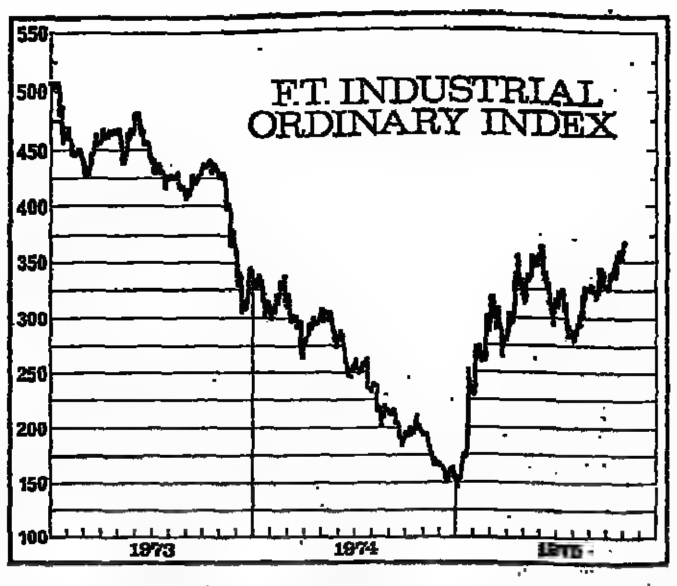
Early firmness was not maintained and the investment currency premium drifted back from 106¾ per cent. to close a net 1¾ lower at 104¾ per cent. Yesterday's SE conversion factor was 0.6099 (0.6148).

Guinness Peat firm

Home Banks closed with scattered minor improvements after a small trade. National Westminster fared best with a rise of 5 to 255p. Still drawing strength from the good results National Bank of Australasia gained 6 more to 293p, after 295p, in overseas issues. In irregular Discounts, King and Shaxson hardened 3 to 55p in front of Monday's interim figures, while Union lost 7 to 318p. Guinness Peat attracted a good investment demand in Merchant banks, rising 5 to 175p, after 178p. Despite the passing of the interim dividend and first-half loss, British Debt Services closed unaltered at 11½p in Hire Purchases.

Buyers came for Halford Shead, which rose 15 to a 1975 high of 225p in Insurances. Britannic put on 8 to 154p and London and Manchester gained 6 to 132p.

Breweries attracted fresh early demand, but tended to soften towards the close. Arthur Guinness hardened 2 to a 1975 high of 137p. Bass Charrington ended a penny off at 104p, after 107p, while Whitbread "A" were 1½ lower at 68p; the latter being adversely affected by a broker's circular. Elsewhere, Distillers lost an early rise of 2 to finish unaltered at 126p. Teacher (Distillers), 214p, were marked up 4 late despite the first-half profits contraction.



C. H. Pearce, in Buildings, responded to the record profits with a jump of 5 to 65p. Burns Anderson, still reflecting trading news, picked up 2 more at 21p, while Press comment directed attention to G. Dew, 4 up at 91p, and J. W. Henderson, 5 higher at 140p. Armitage Shanks were raised 4 to 59p, Vectis Stone 3 to 20p, and Watts Blake and Bearne 6 to 100p.

After narrow fluctuations, ICI closed a penny easier at 301p. Fisons were lowered 7 to 378p, but Enalon Plastics, 48p, and Hickson and Welch, 275p, put on 10 apiece.

Television Contractors put on another cheerful showing, Westward closing a penny better at 13p in front of Monday's results.

F. W. Woolworth up

F. W. Woolworth featured Stores, rising 2½ to 68p in active trading following a Press mention. Burton issues made fresh headway, the Ordinary and "A" both closing 2 better at 67p and 48p respectively. Marks and Spencer ended 3 up at 105p, after 106p, while Debenhams finished another 2 firmer at 85p. Mothercare were finally unchanged at 172p, after 170p, following news of a further reduction in the chairman's shareholding. Small buying pushed Thomas Marshall up 5 to 48p.

Electrical leaders finished moderately higher following a quite active two-way trade. GEC, 142p, and Thorn Electrical, 220p, scored fresh improvements of 4, while Philips' Lamp, with third-quarter figures expected next Thursday, appreciated 15 to 785p. There was a fair sprinkling of gains elsewhere, although James Scott provided a dull spot at 15p, down 2. Henry Wigfall moved forward 10 to 150p. Electronic Rentals firmed 2 to 58p with the help of Press comment.

Apart from Hawker, which rose 7 to 327p, Engineerings were notable for second-line features. Blackwood Hodge rose 7 further to 131p. Desoutter Bros. were similarly higher at 110p and Hopkinsons gained 6 more to 60p, the last-named still on rumours of a cash injection from Babcock and Wilcox. Improvements of 5 were common to Porter Chadburn, 51p, Pegler-Hattersley, 144p, and Automatic Oil, 55p, while Adwest picked up a like amount at 120p following news of the good start to the year. Lake and Elliot were active and 7 dearer at 68p. Elsewhere, increased profits took Wolseley-Hughes up 4½ to 107½p, but bearish reviews of Martonair's annual results brought a reaction of 9 to 136p, after 132p. In Machine Tools, Wadkin advanced 6 to 64p and Jones and Shipman 4 to 54p.

Foods closed the week on a firm note following another reasonable trade. Tate and Lyle, still reflecting the strength of the sugar commodity price, hardened a penny more to 251p for a rise on the week of 19. A. G. Barr firmed 2 to 98p on the interim dividend payment. Joseph Stocks, 75p, and Batleys of Yorkshire, 42p, put on 5 apiece.

J. Lyons "A" continued firmly, rising 8 to 146p. CCH Investments moved up 3 to 23p.

Bestobell buoyant

Fresh gains in the miscellaneous Industrial leaders were trimmed back later. Unilever ended 6 higher at 416p, after 418p, for a rise on the week of 24p ahead of next Wednesday's third-quarter figures. Metal Box, with half-time results due November 17, closed 5 firmer at 267p. Elsewhere, Bestobell were a buoyant market, closing 13 to the good at a peak for the year of 174p in response to the chairman's bullish profits projection. The preliminary statement left Mitchell Cotts Transport 6 up at 32p in a thin market, while Gieves, still on the higher interim profits, added 3 more at 52p. Silhouette "A" contrasted with a reaction of 5 to 39p, unsettled by the half-time profits setback. Adverse Press comment on the third-quarter results brought Hoover "A" back 7 to 308p. Dawson and Barfos, 51p, gave up 4 of the previous evening's advance of 10 which followed the bid from Matthews Holdings; the latter shed 2 more to 44p.

Dowty continued firmly in Motors and Distributors, rising 8 more to 138p for a two-day gain of 15. ACE Machinery improved 6 to 75p, while ERF, 34p, put on 5. Lucas Industries were steady at 148p ahead of Monday's results. Garages scored fresh widespread gains. T. Cowie rose 3 to 25p, Arlington 4 to 78p, and Henlys 7 to 78p.

A more lively week in Newspapers, thanks entirely to a broker's circular, ended quieter but on a firm note. United rose 8 to 228p, but profit-taking caused Beaverbrook "A" to ease ½ to 44½p after Thursday's rise on extremely good second-half figures. Investment recommendations took McCorquodale up 8 to 225p and Watmoughs 7 higher to 35p in Paper/Printings, where Chapman (Balham) were raised 10 to 110p. More O'Ferrall recovered 4 to 32p.

Property leaders lost a little more ground at the start in the wake of fresh adverse Press comment, but subsequently picked up. MEPC, 60p, after extremes of 56p and 61p, and Land Securities, 171p, after 168p, managed to close 2 firmer apiece, but Amalgamated Investment and Property closed a penny cheaper at 19p. Quiet secondary issues continued to show a firm bias, but British Anzani made a weak showing to close 2½ down at 11p, after 10p, in reflection of the dividend omission and net loss.

Shell active

Encouraged by a favourable Press reception of the Royal Dutch/Shell third-quarter figures and Thursday's institutional absorption of Burmah's sale of some 4.6m. Shell shares, the last mentioned traded actively and closed a net 7 higher at 383p, after 386p. British Petroleum were relatively quiet and finally 2 harder at 587p, after 592p, while Burmah picked up 1 to 36p. Confirmation of earlier reports of a dry North Sea well upset Ball and Collins which, in a very thin market, fell 33 to 80p; the associated Premier lost 2 to 10p. Elsewhere, Anglo-Ecuadorian gained 3 to 51p following a broker's circular.

Ocean Wilsons continued to attract support in Overseas Traders and closed 5 higher at 111p for an advance of 21 on the week in reflection of the half-time profits expansion. S. and W. Berisford followed the previous day's rise of 10 on the forecast increase in profits with a further improvement of 3 to 234p. South African Distilleries and Wines moved up 15 more to 380p, but Harrisons and Crosfield lost 25 to 900p.

Trusts and Financials closed with widespread gains. Buying in front of Monday's interim results left Rothschild 10 to the good at 308p, while speculative interest helped Lampa Securities advance 13 to 69p.

A dull market of late on selling fuelled by adverse rumours about the company's North Sea drilling rig interests, Reardon Smith Ordinary rallied 10 to 365p and the "A" 9 to 165p. Furness Withy also picked up with a rise of 6 to 213p.

Textiles ended the week on a mixed note. Investment demand in front of next Thursday's interim results took Courtaulds up 2 more to a 1975 high of 150p, while gains of 3 were seen in Homfray, 65p, and Radley Fashions, 33p. Lister 32p, lost 3 late following the results, and John Crowther shaded 2 to 30p on the interim dividend omission and first-half loss. Quietly firm Tobaccos had Bats 2 better at 330p, after 331p, and Imps ½ harder at 74½p.

Unisec improved 8 to 90p in South Africans, where Rex Trueform 'A' finished 20 to the good at 340p.

Consolidated Tea and Lands stood out in Teas, rising 35 to a 1975 high of 390p on hopes of early news about the reorganisation discussions taking place between McLeod Russel (5 better at 140p) and James Finlay (2 dearer at 136p). West Nile, 295p, and Teith, 335p, were marked up 5 and 15 respectively in sympathy.

Golds easier

The easier trend in transatlantic share markets coupled with a reaction in the bullion price caused a downturn in Gold shares after the previous day's firmness. Small Cape selling left shares prices showing scattered losses and the Gold Mines index fell 2.9 to 271.0, although it was still showing a rise of 4 points on the week. Bullion was finally down $1.50 at $144.75 per ounce, but still $1.75 higher over the longer period.

Financials mirrored the fall in Golds. Notable exceptions were Charter Consolidated, 7 up at 176p and Rio Tinto Zinc which rose 5 at 185p reflecting the firmer tone in U.K. Industrials.

Gold Fields, however, were 4 easier at 214p. Rand Selection fell 20 to 750p on further consideration of the full year's profits and dividend. Platinums eased.

In mixed Australians, Pancontinental, which opened at 700p, rallied to close 15 higher on balance at a new all-time high of 723p making a rise of 60 on the week.

In Tins Sungei Besi eased to 42p following news of the passing of the interim dividend.

Elsewhere Yukon Consolidated lost 5 to 70p, but were still 18 up on the week reflecting the bid from Rio Algom for Lornex in which Yukon has a 20 per cent. stake.

FINANCIAL TIMES STOCK INDICES

—	Nov. 7	Nov. 6	Nov. 5	Nov. 4	Nov. 3	Oct. 31	A year ago
Government Secs.	58.25	58.24	58.05	58.28	58.57	58.05	52.93
Fixed Interest	59.00	58.96	58.77	58.97	58.95	58.72	52.90
Industrial Ordinary	369.3	366.0	360.8	358.9	350.6	351.2	181.4
Gold Mines	271.0	273.9	266.7	263.2	263.8	267.0	411.6
Ord. Div. Yld. §	5.75	5.80	5.89	5.91	6.08	6.03	10.41
Earnings Yld. %(full)	15.90	16.05	16.26	16.31	16.71	16.66	28.24
P/E Ratio (net) (a)	8.95	8.88	8.76	8.75	8.62	8.54	4.95
Dealings marked	8,377	8,636	8,169	6,812	6,553	6,213	7,753
Equity turnover £m.	—	114.23	80.33	64.00	47.92	57.90	72.49
Equity bargains total	—	19,334	17,933	15,393	14,171	15,193	20,757

10 a.m. 364.4. 11 a.m. 366.4. Noon 370.5. 1 p.m. 370.9. 2 p.m. 370.3. 3 p.m. 369.5.

Latest Index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=8.98.

Basis 100 Govt. Secs. 15.10.26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942. † Corrected.

HIGHS AND LOWS

—	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.54 (29/5)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.31 (21/5)	50.53 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	369.3 (7/11)	146.0 (6/1)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	442.3 (22/5)	251.6 (6/10)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	Nov. 7	Nov. 6
Daily—		
Gilt-Edged	184.6	164.7
Industrials	319.0	332.4
Speculative	62.5	75.9
Totals	190.7	196.5
5-day Av'ge		
Gilt Edged	166.2	164.3
Industrials	278.5	256.8
Speculative	61.6	60.1
Totals	175.4	165.6

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)

	Group	Fri. Nov. 7 Index No.	Day's Change %	Est. Earnings Yield % (Max.) Corp. Tax 52%	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (Net) Corp. Tax 52%	Est. P/E Ratio (Nil) Corp.	Thurs. Nov. 6 Index No.	Wed. Nov. 5 Index No.	Tues. Nov. 4 Index No.	Mon. Nov. 3 Index No.	Year ago (approx.) Index No.	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (179)	137.68	+0.9	16.69	6.00	6.97	6.97	136.46	135.51	131.59	129.10	67.23	137.68	51.76	206.57	50.71
2	Building Materials (30)	133.16	+1.0	13.52	6.28	11.29	11.29	130.79	128.45	126.78	124.55	60.43	133.14	45.11	233.64	44.27
3	Contracting, Construction (23)	252.76	+0.7	14.82	3.71	10.16	10.18	250.94	246.41	243.06	239.24	94.54	254.73	71.48	393.05	71.48
4	Electricals (17)	243.39	+1.0	16.79	4.77	8.73	8.73	240.99	235.52	230.76	224.55	124.16	243.39	98.49	350.04	84.71
5	Engineering (Heavy) (13)	159.52	+0.6	20.46	7.44	7.45	7.45	158.51	155.21	154.77	151.96	86.08	159.79	64.59	203.57	64.39
6	Engineering (General) (63)	118.52	+0.8	18.44	7.06	8.11	8.11	117.56	114.51	112.41	111.50	60.30	118.52	45.45	168.59	45.45
7	Machine and Other Tools (9)	45.39	-2.7	18.20	9.27	9.92	9.92	44.09	43.98	44.01	44.12	38.12	46.99	20.11	135.73	19.96
8	Miscellaneous (24)	117.21	+0.6	18.23	6.76	8.18	8.18	116.51	114.25	111.51	110.40	64.27	121.76	49.65	172.61	49.65
9	CONSUMER GOODS (DURABLE) (58)	113.35	+0.6	15.54	5.45	9.47	9.46	112.66	110.09	107.95	105.98	49.44	113.35	38.39	227.78	38.39
10	Electronics, Radio TV etc. (15)	130.25	+0.9	14.52	4.11	10.30	10.29	129.08	126.01	124.89	122.31	53.59	132.04	44.85	276.51	42.85
11	Household Goods (14)	163.79	-0.4	15.13	6.40	9.69	9.66	164.48	162.45	155.58	154.51	77.46	164.48	64.58	263.82	63.92
12	Motors and Distributors (27)	63.59	+0.5	17.50	7.34	8.24	8.24	63.07	61.59	59.77	58.68	29.11	63.59	19.91	170.59	19.91
13	CONSUMER GOODS (NON-DURABLE) (168)	150.61	+0.5	13.45	5.71	10.78	10.71	149.87	147.31	144.99	142.44	72.87	150.61	61.98	225.08	61.41
14	Breweries (15)	171.98	+0.9	11.89	5.97	12.73	12.75	170.40	168.73	167.94	163.54	82.19	171.98	75.58	281.87	69.47
15	Wines and Spirits (7)	156.75	+0.2	12.19	6.44	12.45	12.45	156.41	153.89	151.59	144.45	82.30	177.94	80.43	367.40	76.86
16	Entertainment, Catering (16)	180.19	+0.9	11.88	6.66	13.82	13.86	178.61	174.60	172.40	168.39	58.51	180.19	58.28	329.92	54.83
17	Food Manufacturing (22)	163.47	+1.2	13.97	4.93	10.58	10.58	161.59	158.81	156.27	154.56	85.18	163.55	59.77	213.13	59.77
18	Food Retailing (16)	155.00	+0.2	9.99	4.26	14.83	14.83	154.60	151.57	148.26	146.18	53.80	155.00	54.25	240.66	54.25
19	Newspapers, Publishing (15)	155.09	-0.5	13.77	6.49	11.09	11.09	156.46	148.93	143.48	141.80	75.55	156.45	55.06	310.62	55.06
20	Packaging and Paper (13)	95.61	+1.3	22.54	7.41	6.86	6.87	94.34	95.91	94.77	93.82	57.84	107.13	45.46	135.59	45.46
21	Stores (32)	129.87	+0.7	11.44	5.19	13.38	13.38	128.92	127.42	124.85	122.49	55.80	132.64	52.65	204.39	52.65
22	Textiles (23)	159.34	+0.6	21.00	6.72	5.72	5.57	158.38	154.80	155.38	150.94	75.81	159.34	57.81	263.72	62.65
23	Tobacco (3)	205.76	-0.3	16.47	6.55	9.24	9.24	206.57	204.59	202.28	199.73	122.51	205.57	94.34	[illegible]	[illegible]
24	Toys and Games (6)	62.58	+1.2	21.80	5.55	6.37	6.37	61.76	62.02	62.43	61.75	27.70	62.58	20.92	135.72	20.92
	OTHER GROUPS (93)															
25	Chemicals (24)	184.35	—	15.10	5.21	9.26	9.28	184.31	182.28	180.72	177.87	90.14	186.17	73.14	201.92	71.20
26	Office Equipment (10)	86.99	—	14.98	5.55	9.84	9.56	86.94	86.36	86.00	84.98	60.83	104.76	46.34	246.06	45.54
27	Shipping (12)	385.91	+0.6	20.01	5.26	6.41	6.17	383.75	376.90	376.35	374.06	248.09	401.84	[illegible]	[illegible]	90.80
28	Miscellaneous (47)	155.84	-0.5	15.83	6.38	9.34	9.34	155.01	152.62	149.10	147.74	80.72	155.84	60.39	253.82	60.39
29	INDUSTRIAL GROUP (496)	147.85	+0.6	14.88	5.76	9.76	9.72	146.97	144.54	142.25	139.95	72.97	147.85	59.19	230.17	59.01
30	OILS (4)	334.35	+1.1	15.03	4.81	7.43	6.64	331.02	335.83	329.69	323.37	146.78	335.35	105.65	461.46	87.23
31	500 SHARE INDEX	163.34	+0.7	14.90	5.63	9.30	9.06	162.27	160.38	157.79	155.14	79.24	163.34	66.49	229.92	65.49
32	FINANCIAL GROUP (100)	138.79	+0.4	—	5.84	—	—	138.26	136.97	134.87	132.55	64.86	146.49	56.50	241.41	55.88
33	Banks (6)	169.50	+0.6	17.35	4.73	5.83	5.83	168.22	168.44	165.56	161.74	74.18	177.11	62.50	298.32	62.44
34	Discount Houses (9)	159.43	-0.2	—	7.75	—	—	159.74	157.62	158.26	155.42	95.97	166.97	84.12	293.12	81.40
35	Hire Purchase (5)	95.79	+0.9	—	6.41	—	—	97.84	95.59	95.50	95.60	74.57	115.34	39.44	261.77	38.83
36	Insurance (Life) (9)	123.95	-0.8	—	5.47	—	—	124.05	122.01	119.46	117.06	57.10	127.64	44.88	181.40	44.88
37	Insurance (Composite) (7)	114.07	+0.8	—	6.00	—	—	113.88	111.99	110.74	108.62	50.83	123.95	43.96	193.74	43.96
38	Insurance (Brokers) (9)	226.60	+0.6	9.14	3.89	16.42	16.48	225.71	223.58	222.93	223.48	86.53	226.76	65.86	214.49	65.86
39	Merchant Banks (19)	56.39	+0.1	—	5.89	—	—	56.33	55.90	55.41	53.40	30.66	64.97	31.21	278.57	31.21
40	Property (32)	158.05	-2.1	3.52	3.73	46.88	43.24	155.52	156.04	154.61	152.53	79.09	241.18	56.01	357.40	56.01
41	Miscellaneous (4)	78.12	—	15.86	6.15	13.75	12.57	78.12	74.52	76.72	72.04	35.00	78.12	34.78	303.13	33.29
42	Investment Trusts (50)	165.82	+1.2	2.92	4.24	34.25	34.21	163.76	164.53	162.75	158.36	86.85	166.54	71.63	243.78	71.63
43	ALL-SHARE INDEX (650)	157.41	+0.6	—	5.45	—	—	156.41	154.64	152.21	149.85	76.54	157.41	62.16	228.18	61.92
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (9)	385.57	-0.8	14.75	8.70	9.62	9.74	382.56	380.56	382.24	382.24	307.91	352.54	281.66	556.57	84.68
45	Teas (10)	119.60	-2.8	34.27	8.73	4.20	4.08	116.39	116.39	116.29	117.04	73.06	119.60	76.76	121.47	39.79
46	Coppers (3)	282.05	+0.9	69.65	17.37	1.44	1.44	279.40	276.64	276.64	273.52	361.96	407.74	254.42	567.76	94.06
47	Mining Finance (11)	112.98	-0.1	10.61	4.51	10.65	10.65	113.10	109.11	106.84	106.17	92.45	141.54	80.56	175.90	95.61
48	Tins (8)	95.45	-1.8	11.83	9.58	11.05	9.89	91.83	90.79	89.96	88.11	61.21	116.49	68.51	158.27	28.13
49	Overseas Traders (13)	216.66	-0.2	15.94	4.51	8.01	[illegible]	219.12	214.81	213.04	209.26	—	252.33	97.37	252.33	97.37

FIXED INTEREST

		Friday Nov. 7 Index No.	Friday Nov. 7 Yield %	Thur. Nov. 6	Wed. Nov. 5	Tuesday Nov. 4	Monday Nov. 3	Friday Oct. 31	Thur. Oct. 30	Wed. Oct. 29	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	14.90	14.81	14.89	14.77	14.77	14.66	14.96	14.87	16.37				
2	20-yr. Govt. Stocks (6)	46.54	13.93	46.56	46.40	46.57	46.81	46.59	46.42	46.66	42.71	53.09	38.27	115.42	38.27
3	20-yr. Red. Deb & Loans (15)	45.73	16.08	45.87	45.86	45.86	45.79	45.77	45.72	45.66	36.22	50.06	[illegible]	114.43	[illegible]
4	Investment Trusts Prefs. (15)	47.28	14.63	47.25	47.15	47.00	46.96	47.21	46.72	46.72	38.67	47.30	[illegible]	114.41	[illegible]
5	Coml. and Indl. Prefs. (20)	65.66	14.78	65.65	65.61	64.68	64.74	65.65	65.86	65.32	52.26	[illegible]	[illegible]	[illegible]	[illegible]

Section or Group / Base Date / Base Value [illegible]. † Redemption yield. A list of the constituents of the FT-Actuaries Share Indices is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p, by post 22p. FT-Actuaries indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an ICL 1903 computer.

BASE LENDING RATES

AFI International	11 %
Allied Irish Banks Ltd.	11 %
Anglo-Portuguese Bank	11½%
Henry Ansbacher	11½%
Banco de Bilbao	11 %
Banco de Jerez	11½%
Bank of Cyprus	11 %
Bank of N.S.W.	11 %
Banque du Rhone S.A.	11½%
Barclays Bank	11 %
Barnett, Christie Ltd.	12 %
Bremar Holdings Ltd.	12 %
Brit. Bank of Mid. East	11 %
■ Brown Shipley	11½%
Cayzer, Bowater Co. Ltd.	11½%
Cedar Holdings	11 %
■ Charterhouse Japhet	11½%
C. E. Coates	11½%
Consolidated Credits	12 %
Co-operative Bank	*11 %
Copleys Bank	12 %
Corinthian Securities	11 %
Credit Lyonnais	11 %
G. R. Dawes	12 %
Duboff Brothers	12 %
Duncan Lawrie	11 %
English Transcont.	12 %
First London Secs.	11 %
■ Antony Gibbs	11 %
Goode Durrant Trust	11 %
Greyhound Guaranty	11 %
Grindlays Bank	11 %
■ Guinness Mahon	11 %
■ Hambros Bank	11 %
Hawtin & Partners	13 %
■ Hill Samuel	§11 %
C. Hoare & Co.	†11 %
Julian S. Hodge	12 %
Industrial Bank of Scot.	11 %
Jacobs, Kroll	11½%
Keyser Ullmann	11½%
Knowsley & Co. Ltd.	12½%
Lloyds Bank	11 %
London & European	11½%
London Mercantile	11½%
Midland Bank	11 %
■ Samuel Montagu	11 %
■ Morgan Grenfell	11 %
National Westminster	11 %
Northern Comm. Trust	11½%
Norwich General Trust	11½%
Portman Guaranty	11 %
P. S. Refson & Co.	11 %
Rossminster Accept'cs	11 %
Roya' Trust of Canada	12 %
Schlesinger Limited	11½%
E. S. Schwab	12½%
Security Trust Co. Ltd.	12½%
Shenley Trust	12½%
Standard Chartered	11 %
Sterling Credit	12½%
Thames Guaranty	11 %
Trade Development Bk.	11 %
Twentieth Century Bk.	12½%
United Bank of Kuwait	11 %
Whiteaway Laidlaw	11½%
Williams and Glyn's	11 %
Yorkshire Bank	11 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 7%, 1-month deposits 7½%.
† 7-day deposits on sums of £10,000 and under 7%, up to £25,000 7¾% and over £25,000 8¼%.
§ Demand deposit 8¼%.

CORAL INDEX
Close 366-371

I.G. INDEX
GOLD 143-148

INSURANCE BASE RATES

† Atlantic Assurance ... 12 %
Cannon Assurance ... 9½%
† Address under Insurance and Property Bond table.

MONEY + EXCHANGES

Fall in bill rate

Bank of England Minimum Lending Rate 12 per cent. (since October 3, 1975)

The Treasury bill rate fell by 0.1207 per cent. to 11.2896 per cent. at yesterday's tender, and Bank of England Minimum Lending Rate was unchanged at 12 per cent. The minimum accepted bid was £97.18, compared with £97.15½ previously, and bids at that level were met as to 16 per cent. The £450m. bills offered and allotted attracted bids of £1,013.2m. All bills offered were allotted, while next week £400m., will replace £350m.

Day-to-day credit was in slightly short supply again in the London money market and the authorities gave a small amount of assistance by buying Treasury bills from the Discount houses. Government disbursements exceeded revenue payments to the Exchequer but this was outweighed by, run-down bank balances brought forward from Thursday, a net take-up of Treasury bills, an increase in the note circulation, official holdings of maturing local authority bills, and settlement of gilt-edged sales.

Discount houses paid 11-11¼ per cent. for secured call loans in the early part, and closing balances were taken at 10¾-11 per cent.

Short-term fixed period interest rates were slightly easier in general.

Rates in the table below are nominal in some cases.

Nov. 7 1975	Sterling Certificates of deposits	Interbank	Local Authority deposits†	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills ф	Bank bills ф	Fine trade bills ф
Overnight	—	11-12	—	—	—	11-12	10¼-11¼	—	—	—
2 days notice	—	—	11⅛	—	—	—	—	—	—	—
7 days or 7 days notice	—	11-11⅛	11¼	—	—	—	11-11¼	—	—	—
One month	11⅛-11¼	11¼-11⅜	11¼-11⅛	11¾-11¼	11⅞-12¼	—	11⅛	[illegible]	[illegible]	[illegible]
Two months	11⅛-11⅛	11⅛-11⅛	—	11¾-11¼	11⅞-12⅜	—	11⅛	[illegible]	[illegible]	[illegible]
Three months	11⅛-11⅛	11⅛-11⅛	11⅛-11⅛	11¾-11¼	11½-12½	—	11⅛	[illegible]	[illegible]	[illegible]
Six months	11⅝-11⅞	11⅞-11⅞	11¾-11⅞	12-11¾	11½-12¾	—	—	—	[illegible]	[illegible]
Nine months	11¾-11⅝	11⅞-11⅞	—	12-11⅞	11¾-15	—	—	—	—	—
One year	11⅞-11⅝	11⅝-11⅞	12⅛-12¾	12¼-11⅝	11¾-15	—	—	—	—	—
Two years	—	12⅛-12⅝	12⅞-13	12¾-12¼	—	—	—	—	—	—

† Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 13½-13¾ per cent.; four years 13¾-14 per cent.; five years 14¼-14½ per cent. ф Bank bill rates in table are buying rates for prime paper, buying rates for four-month bank bills 11⅛-11⅞ per cent.; four-month trade bills 12¼ per cent. Approximate selling rates for one-month Treasury bills 11⅛ per cent.; two-month 11⅛ per cent. Approximate selling rates for one-month Bank bills 11⅛ per cent.; two-month and three-month 11⅞-11½ per cent.; for one-month trade bills 11⅛-11½ per cent.; two-month and three-month 11⅞-11½ per cent.

Finance House Base Rate (published by the Finance Houses Association) 11½ per cent. from November 1. Clearing Bank Deposit Rates for small sums at seven days' notice 7 per cent. Clearing Bank Rate for lending 11 per cent. Treasury Bills: Average tender rates of discount 11.2896 per cent.

EXCHANGES AND BULLION

Sterling closed slightly lower against the U.S. dollar, but showed little change in terms of major currencies in general. The pound began at $2.0700-2.0710, and improved to $2.0710-2.0720, before easing to $2.0680-2.0690. Sterling touched $2.0705-2.0715, following the further cut in prime rate by First National City Bank, but later declined to close at $2.0645-2.0655, a loss of 40 points on the day. The pound's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, was unchanged at 29.3 per cent., after standing at 29.3 per cent. at noon and 29.2 per cent. in early dealings.

The U.S. dollar showed little change overall against most currencies, and its trade-weighted depreciation, as calculated by Morgan Guaranty of New York on noon rates, was unchanged at 2.78 per cent.

Gold lost $1½ to $144¼-145¼ in fairly quiet trading. The krugerrand finished at $148½-150½ (£71¾-£72¾) in the domestic market, against $149½-151½ (£72¼-73¼) previously. The coin's premium over its gold content widened to 3.28 per cent. from 2.90 per cent. for domestic delivery, and to 3.63 per cent. from 3.25 per cent. in international dealings.

EXCHANGE CROSS-RATES

Nov. 7 — Frankfurt, New York, Paris, Brussels, London, Amsterdam, Zurich [illegible]

U.S. $ in Montreal. U.S. $=101.58-60 Canadian cents. Canadian $ in New York. U.S. $ in Milan 674.60. Sterling in Milan [illegible].

EURO-CURRENCY INTEREST RATES

Nov. 7 1975 — Sterling, U.S. Dollar, Canadian Dollar, Dutch Guilder, W. German mark, Swiss franc [illegible]

Euro-French deposit rates [illegible]. * Rates are nominal closing rates. † Short-term rates are call for sterling, U.S. dollars and Canadian dollars, two days' notice for guilders and Swiss francs.

FOREIGN EXCHANGES

[illegible]

OTHER MARKETS

[illegible]

GOLD MARKET

[illegible]

FORWARD RATES

[illegible]

Six-month forward U.S. dollar [illegible].

SPECIAL DRAWING RIGHT RATES

[illegible]

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

AUTHORISED UNIT TRUSTS

For Abacus Arbuthnot see Arbuthnot Secs.

Abbey Unit Tst., Mgrs. Ltd. (a)(g)
72-80, Gatehouse Rd., Aylesbury. 0296 5941

Abbey Capital	22.2	23.6	+0.2	4.17
Abbey Income	26.7	28.4	+0.3	5.05
Abbey Inv. Tst. Fd.	26.6	27.6	+0.2	3.69
Abbey Gen. Tst.	34.3	36.4	+0.2	3.86

Allied Hambro Group♥(a)(g)
Hambro Hse., Hutton, Brentwood, Essex
01-588 2851 or Billericay (02774) 53169

Allied Ist.	50.7	54.1	+0.3	5.24
Brit. Ind. 2nd	50.4	53.8	+0.3	5.70
Growth & Inc. Tst.	28.7	30.6	+0.2	5.86
Elect. & Ind. Dev.	24.2	25.8	+0.1	5.57
Met. Min. & C'dty	35.1	37.4	+0.3	5.55
Allied Capital Tst.	53.7	57.3	+0.4	5.35
High Income	45.9	49.0	+0.3	7.96
Equity Income	29.7	31.7	+0.3	6.54
International	21.9	23.3	+0.2	2.21
High Yield Fund	40.5	43.2	+0.7	9.92
H. Fund	81.9	87.4	+0.6	5.52
H. Income Fund	39.4	42.1	+0.3	7.12
H. Recovery	89.4	95.4	+0.3	6.84
H. Smaller Co's	17.4	18.6	-0.3	6.97
2nd Smaller Co's	21.6	23.0	-0.5	7.66
H. Accum. Fund	21.2	22.6	+0.1	4.72
Secs. of America	41.7	44.5	+0.4	3.04
H. Exempt Nov. 1	126.3	132.9	.....	6.58

Arbuthnot Securities Ltd. (a) (c)
21 Leven St., E'burgh EH3 9LH 031-228 1421

Abacus Glanis	30.3	32.5	+0.3	37.6
♦Accum. Units	32.8	35.2	+0.3	9.76
Growth Units	27.8	29.9	+0.1	4.22
♦Accum. Units	30.2	32.5	+0.1	4.22
Income Units	29.1	37.2	+0.6	11.5
♦Acc. Uts.	33.3	35.7	+0.7	11.5
‡East & Intl. Acct.	19.2	20.3	+0.1	2.40
Japan Compound	21.2	22.7	+1.2	10.28

Bridge Talisman Fd. Mgrs.♥ (a)(c)
5-8, Mincing Lane, E.C.3 01-623 4951

BT Income	166.0	177.0	.....	8.55
BT Capital Inc.	24.9	26.5	.....	2.13
BT Capital Acc.	25.5	27.2	.....	2.13
BT Exempt	85	91	.....	5.49
BT Intl. Inc.	12.3	13.1	.....	4.80
♦BT Inter'l Acc.	12.6	13.5	.....	4.80

Prices on Oct. 8. Next sub. day Oct. 15.

The British Life Office Ltd.♥ (a)
Reliance Hse., Tunbridge Wells, Kt. 0892 22271

BL British Life	41.0	42.7	+0.3	5.48
BL Balanced*	31.3	33.1	.....	6.74
BL Capital*	31.5	33.9	.....	4.58
BL Dividend*	28.8	30.5	.....	8.25

*Prices on Oct. 29. Next dealing Nov. 5.

Brown Shipley & Co. Ltd.♥(x)(c)
Mngrs: Founders Ct., EC2 01-600 8520

Brown Shipley	148.5	153.5	.....	6.13
Accum. Units	171.9	176.9	.....	6.13

*Prices on Nov. 4. Next sub. day Nov. 11.

Canada Life Unit Tst. Mngrs. Ltd.♥
2-6 High St., Potters Bar, Herts. P Bar 51122

Can. Gen Dist.	29.1	30.6	+0.2	4.16
Do. Gen. Accum.	32.7	34.5	+0.2	4.16
Do. Inc. Dist.	26.4	27.8	+0.1	7.76
Do. Inc. Accum.	30.1	31.7	.....	7.76

Capel (James) Mngt. Ltd.♥
100 Old Broad St., EC2N 1BQ 01-588 6010

Capital	59.8	61.6	.....	3.87
Income	52.9	54.5	.....	7.50

Prices on Nov. 5. Next dealing Nov. 19.

Carliol Unit Fd. Mgrs. Ltd.♥ (a)(c)
Milburn House, Newcastle-upon-Tyne 21165

Carliol	53.6	56.1	.....	3.73
Do. Accum. Units	60.3	62.8	.....	3.73
Do. High Yield	26.5	28.5	.....	9.99

Brandts Ltd.♥
4, Fenchurch St., E.C.3. 01-626 6599

Brandts Cap.	96.0	101.6	.....	2.21
Do. Accum.	105.6	113.0	.....	2.16
Brandts Inc.	105.5	112.5	.....	7.79

Next sub. day Oct. 22.

Friends' Provdt. Unit Tr. Mgrs♥
7, Leadenhall Street, E.C.3. 01-626 4511

Friends Tst. Uts.	29.8	31.0	+0.1	4.09
Do. Accum.	34.2	36.5	+0.1	4.09

G.T. Unit Managers Ltd.♥
16, St. Martins-le-Grand, EC2. 01-600 9461

G.T. Cap. Inc.	56.1	59.7	.....	5.00
Do. Acc.	63.8	67.9	.....	5.00
G.T. Inc. Fd. Un.	99.1	105.4	.....	10.00
G.T. U.S. & Gen.	122.3	130.1	.....	1.00
G.T. Japan & Gen.	157.2	167.2	.....	1.00
♦Gt. Pens. Ex. Fd.	106.8	112.7	.....	3.00

REGIONAL MARKETS

Following the merger last year of U.K. stock exchanges, a selection of the share prices previously shown under regional headings is presented below with quotations in London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

Albany Inv. 20p	16	.....	Craig Ship. £1	350	.....	Shiloh Spinn.	23	.....
Ash Spinning	37	.....	Hallam Sleigh 10p	6	.....	Sindall (Wm.)	50	.....
Bertam	18	.....	Higsons Brew.	46	.....			
Bdg'wtr. Est. 50p	138	.....	I.O.M. Stm. £1	110	.....	**IRISH**		
Clover Croft	35	.....	Holt (Jos.) 25p	255	.....			
Craig & Rose £1	315	.....	Kleen-e-Ze	17	.....	Alliance Gas (£1)	67	.....
Dyson (R.A.)	30	.....	Lovell's Ship £1	95	.....	Carroll (P. D.)	125	.....
Ellis & McHdy.	58	.....	N'thn. Goldsmith	46	.....	Clondalkin	51	+1
Evans Fr'k. 10p	35	.....	P.M.A.	26	.....	Concrete Prods.	80	.....
Evered	6	.....	Pearce (C. H.)	68	.....	Goodbody (£1)	28	.....
Fife Forge	47	.....	Peel Mills	12	.....	Heiton (Hldgs.)	29	.....
Finlay Pkg. 5p	16	.....	Richards 10p	$12\frac{1}{2}$	.....	Irish Distillers	70	.....
Grest & Read 50p	115	+3	RobbCaledon5p	32	-2	Irish Wire	40	.....
Gardiner & Sons	11	.....	Sayers $12\frac{1}{2}$p	8	.....	Jacob	65	.....
Gardner (L.)	61	+1	Sheffield Brick	64	.....	Sunbeam	11	.....
			Sheff. Refrshmt.	141	.....	Unidare	63	.....

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

CMF Ltd. Oct. 30	$US10.10	10.29	.....	—
CMT Ltd. Oct. 30	£9.79	10.05	.....	—
Metals Tst. Oct. 16	£9.38	9.61	.....	—
TMT Oct. 9	$US10.25	10.51	.....	—
TMT Ltd. Oct. 9	£10.40	10.67	.....	—

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.

World Wide Gth. Fd.	$US10.81	+0.07	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. § Guernsey yield. # Suspended. ★ Single premium insurance bonds.

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

1975 High	Low	Stock	£	+ or –	Yield Int.	Red.
		"Shorts" (Lives up to Five Years)				
99½	94¾	Exch.6½pc1976	96½	+⅛	6.60	11.45
97½	92⅞	Treasury 6½pc 1976	96⅛	+⅛	6.75	11.56
99	97	Victory 4pc 1976	98½	...	4.04	—
102	96¾	Treasury 10½pc 1976	99 xd	+⅛	10.59	11.37
95¼	88¾	Treasury 6¼pc 1977	94⅝	+⅛	6.60	10.63
93⅝	85½	Electric 3pc 74-77	94⅛	+⅛	3.18	7.46
105⅜	96⅞	Treasury 11½pc '77	100⅛	+⅛	11.42	11.04
91⅛	84	Treasury 3pc '77	91 xd	...	3.29	7.34
90½	84⅝	Transport 4pc 72-77	90¼	+⅛	4.41	9.69
96⅜	90½	Treasury 9pc 1978	94	...	9.57	11.08
100⅛	96	Treasury 10½pc '78	96⅞	+⅛	10.84	11.65
87¼	79	Exchequer 5pc 76-78	87¼	+¼	5.73	10.20
103	94⅞	Treasury 11½pc '79	99	+⅛	11.62	11.65
79⅛	71⅝	Treasury 3pc '79	77⅝	–⅛	3.77	9.42
81⅛	73⅞	Electric 4¼pc 74-79	81⅝	+⅛	5.21	10.98
100⅛	94½	Treasury 10½pc '79	95⅜	+¼	11.01	11.98
80¼	71	Electric 3½pc 76-79	80¼ xd	+⅛	4.35	9.53
95	84	Treasury 9pc 1980	89⅛	+⅛	10.09	12.29
95⅛	87¼	Treasury 9½pc '80	90⅛ xd	+⅛	10.53	12.41
79	68¼	Treasury 3½pc 77-80	78⅞	+⅛	4.44	9.23
84½	71	Funding 5½pc 78-80	83⅞	+⅛	6.26	9.68
		Five to Fifteen Years				
96⅞	95½	Treasury 11¾pc 1981	96⅛	...	12.06	12.75
76½	66½	Do 3½pc 79-81	76	...	4.65	9.61
91⅞	72⅝	Do 8¼pc 80-82	86⅝	...	10.13	12.27
104⅛	86⅞	Treasury 12pc 1983	97⅞	...	12.52	12.87
76	56	Funding 5½pc 82-84	72⅛	...	7.75	10.95
65½	61⅝	Treasury 8¼pc 84-86	80⅛	...	10.98	12.33
73½	51⅝	Funding 6½pc 85-87	66½	...	9.80	11.97
76¼	53	Treasury 7¾pc 85-88	71⅛	...	11.21	12.80
47¼	32⅞	Transport 3pc 78-88	43⅞	...	7.01	11.85
56⅞	39⅝	Treasury 5pc 86-89	51¼	...	9.82	12.54
75½	53¼	Treasury 8½pc 87-90	69⅝	...	12.45	13.62
		Over Fifteen Years				
57⅞	41⅝	Funding 5¾pc '87-91	51⅞	...	11.31	13.35
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Undated

[illegible]

**INTERNATIONAL BANK

[illegible]

**CORPORATION LOANS

[illegible]

COMMONWEALTH & AFRICAN LOANS

[illegible]

LOANS (Miscel.)

[illegible]

FOREIGN BONDS & RAILS

[illegible]

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

[illegible]

S.E. List Premium 63⅝% (based on $2.0787 per £)

CANADIANS

[illegible]

S.E. List Premium 63¼% (based on $2.1035 per £)
Conversion factor 0.6099 (0.6148)

††BANKS AND HIRE PURCHASE

[illegible]

Hire Purchase, etc.

[illegible]

BEERS, WINES AND SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER & ROADS

[illegible]

BUILDING INDUSTRY—Continued

[illegible]

CHEMICALS, PLASTICS

[illegible]

CINEMAS, THEATRES AND TV

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY AND STORES—Continued

[illegible]

ELECTRICAL AND RADIO

[illegible]

ENGINEERING, MACHINE TOOLS

[illegible]

ENGINEERING—Cont.

[illegible]

FOOD, GROCERIES, ETC.

[illegible]

HOTELS & CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

INDUSTRIALS—Continued

††INSURANCE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

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RUBBERS AND SISALS

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¼	360	Durban Deep R1	400	−20	†Q110c	ϕ	‡
£14	520	E. Rand Prp. R1	670	−30	†Q015c	ϕ	‡
105	28	Rand Leases 2½c	28	......	—	—	—
£34½	£15¾	Randf'tn Est. R2	£19½	−¼	—	—	—
500	150	West Rand R1	170	−5	†Q40c	1.3	‡

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	175	Bracken R1	220	−2	Q52c	ϕ	15.1
23	5	Daggafontein 50c	13	+1	—	—	—
105	37	East Dac R1	40	......	†Q25c	ϕ	‡
140#	5	Gvnl. Areas 5c	140#	......	—	—	—
380	120	Grootvlei 30c	150	−10	†Q32c	1.1	‡
820	410	Kinross R1	465	......	Q54c	ϕ	6.5
190	70	Leslie 70c	78	......	Q18c	ϕ	12.8
550	165	Marievale 70c	220	−10	†Q84c	1.1	‡
725	200	S. African Ld. 35c	270	−10	†Q85c	1.2	‡
265	82	Vlakfontein R1	120	−2	Q35c	1.3	16.2
£13⅝	720	Winkelhaak R1	855	+5	Q108	ϕ	7.0
120	36	Wit. Nigel 25c	51	−1	—	—	1.4

FAR WEST RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£11	620	Blyvoor 25	680	−10	Q100c	1.3	8.1
£21½	£12⅜	Buffels R1	£15½	−1	Q180c	1.4	6.4
430	235	Deelkraal R0.20	252	......	—	—	—
£14¼	610	Doornfontein R1	840	−10	Q110c	1.4	7.0
£12¾	725	East Drie R1	970	−10	†55c	ϕ	3.7
450	200	Elsburg R1	230	−5	Q45½c	—	10.9
£31	£15	Hartebeest R1	£19	+½	Q215c	1.4	6.3
£13¼	730	Kloof Gold R1	815	−5	Q55c	1.4	3.7
£17¼	650	Libanon R1	740	−10	Q110c	1.9	8.3
£13¾	600	Southvaal 50c	815	......	Q9c	0.9	0.6
480	210	Stilfontein 50c	245	......	†Q65c	1.3	‡
£33¼	£17	Vaal Reefs 50c	£23¾	−¾	†Q220c	1.7	‡
£11½	290	Ventersp'st R1	380	−5	Q70c	1.9	10.2
£55	£33	W. Drie R1	£40	−½	Q485c	1.2	6.7
745	275	W'st'rn Areas R1	355	−5	†Q[illegible]c	1.4	10.9
£23	£13	Western Deep R2	£17¼	−¼	†Q163c	1.4	‡
530	290	Zandpan R1	325	−5	Q35½c	1.0	6.1

O.F.S.

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
400	160	Fr. State Dev. 50c	210	......	Q14c	1.6	3.7
£32¾	£19	F.S. Geduld 50c	£22¼	−1	330c	ϕ	7.9
265	115	F.S. Saaiplaas R1	150	−2	Z[illegible]c	—	[illegible]
960	550	Harmony 50c	590	−10	Q77c	1.8	7.2
575	170	Loraine R1	212	......	Q[illegible]c	ϕ	1.6
£28¼	£17¼	Pres. Brand 50c	£20¾	−¼	Q250c	ϕ	6.8
£25¾	£11¼	Pres. Steyn 50c	£12½	−¼	Q125c	ϕ	5.5
£39¾	£19¾	St. Helena R1	£24¼	......	Q250c	ϕ	5.7
340	170	Unisel	198	......	—	—	—
525	245	Welkom 50c	330	−5	Q55c	ϕ	9.2
£40	£23	W. Holdings 50c	£28	+½	Q475c	ϕ	9.7

FINANCE

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
520	313	Ang. Amer. 10c	385	......	†Q29c	2.0	4.2
£45½	£27½	Ang. Am. Gold R1	£32½	−½	†Q250c	1.4	4.2
£16¼	850	Ang-Vaal 50c	£14¼	−¼	Q95c	3.7	3.7
205	87	Charter Con.	176	+7	6.21	2.2	5.4
290	188	Cons. Gold Field	214	−4	6.7	4.3	4.8
32	17	E. Rand Con. 10p	20	......	0.92	1.4	7.1
435	230	Gedu'ld Inv. R1	310	......	†Q34c	0.4	6.1
£38¼	£19	Gen. Mining R2	£23	−½	†Q210c	2.1	5.1
£39	£20½	G. Fields S.A. 25c	£25	−½	Q225c	1.3	5.0
£27¾	£12	Joburg Cons. R2	£24	−½	Q165c	2.5	3.8
530	260	Middle Wit 25c	380	......	Q28c	2.0	4.1
315	182	Minorco SBD1.40	194	......	Q14c	—	4.0
305	140	New Wit 50c	195	−5	Q20c	1.6	5.7
£11	750	Patino NV Fls.5	770	......	QC40c	10.5	4.4
£11	660	Rand Selection 50	780	−20	Q75c	ϕ	5.4
695	485	Selection Trust	510	......	14.0	2.0	4.2
450	225	Sentrust 10c	250	......	Q30c	1.2	6.6
81	27	Silvermines 2½p	47	......	‡a4.0	1.6	‡
170	120	SW Africa 20p	130xd	−5	17.87	2.0	21.3
£14	560	T'vaal Cons. Ld. R1	£11½	......	Q65c	ϕ	0.0
475	250	U.C. Invest R1	295	−5	Q36c	1.2	6.7
580	355	Union Crp. 6.25c	425	−10	Q42c	1.6	5.5
£23	13	Vereeniging (R2)	£22	......	QR1.15	ϕ	2.8
105	30	Vogels 2½c	90	+2	Q6c	1.0	3.7

DIAMOND AND PLATINUM

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£35	£15¼	Anglo-Am. Inv. 50c	£32	−½	Q290c	1.0	5.0
146	48	Bishopsgate Plt. 10c	96	−2	Q3.1	ϕ	1.8
333	161	De Beers Df. 5c	317	......	Q25c	2.2	4.4
£17	£11½	Do. 40pc Pf. R5	£15	......	1.10	125.5	7.2
152	80	Lydenburg 12½c	110	−2	Q2.9c	ϕ	1.5
248	100	Pot. Plat. 2½c	180	−4	Q5c	ϕ	1.5
212	94	Union Plat. 10c	160	−4	Q4.96c	ϕ	1.7
212	95	Waterval 5c	160	−4	Q5.2c	ϕ	1.8

CENTRAL AFRICAN

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
345	150	Coronation 25c	190	−5	Q34c	ϕ	9.9
250	160	Falcon Rh. 50c	165	−5	†Q35c	ϕ	—
52	38	Globe Phnix 12½p	40	......	1.25	ϕ	4.8
24	15	Rho.-Corp. 16⅔p	17	......	Q5	8.0	4.9
440	200	Roan Cons. K4	210	−5	Q16.0	ϕ	7.6
230	92	Tanganyika 50p	158	−2	‡Q26	1.2	‡
75	60	Do. Pref. 80p	65	......	Q9	16.0	11.6
38	26½	Wankie Col. Rh.1	36	......	Q6½c	ϕ	10.0
70	31	Zam. Cpr. $BD0.24	38	+1	Q1.90	3.2	5.0

AUSTRALIAN

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
28	10	Acmex 25c	23	......	—	—	—
138	95	A. M. and S. 50c	122	+2	‡Q14c	1.5	‡
122	74	Bougainville 50c	86	+1	Q27½c	3p	‡
242	145	BH South 50c	160	+5	—	—	—
215	70	Gold M. Kalg. $1	80	+5	—	—	—
85	36	Gt. Boulder 10c	69	......	‡Q2c	2.8	1.6
137	70	Hamptn Areas 5p	82	......	1.18	4.2	2.2
115	30	Metals Ex. 50c	34	......	—	—	—
43	14	Metramar 20c	20	......	—	—	—
246	117	M.I.M. Hldgs. 50c	194	+2	Q10c	1.8	2.9
135	80	M. Lyell 25c	85	......	Q5c	ϕ	3.4
3	1½	Newmetal 10c	3	......	—	—	—
155	102	North B. Hill $1	138	......	Q9c	1.4	3.7
16½	7	North Kalg. 20c	11	......	—	—	—
87	47	Oakbridge $A0	84	+1	Q8c	0.9	5.4
21	8	Pacific Cppr. 25c	18	......	—	—	—
725	220	Pancont'l 25c	725	+15	—	—	—
25	9	Paringa M&Ex. 5p	10	−1	—	—	—
450	235	Peko-Walls'd 50c	430	+10	Q15c	ϕ	2.0
345	145	Poseidon 20c	165	+10	—	—	—
4	2	Scamander 25c	4	......	—	—	—
26	8	Vultan Min. 50c	10	......	—	—	—
6	4	Westmex 10c	5	......	—	—	—
214	137	W. Mining 50c	146	+3	‡Q8c	0.8	4.1
50	26	Whim Creek 20c	26	......	—	—	—

TINS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
56	32	Amal. Nigeria	40	......	5.62	1.6	21.6
161	77	Ayer Hitam	146	+4	13.0	ϕ	13.7
36	10	Beralt Tin	13½	+½	—	—	—
424	268	Berjuntai SM25	325	......	Q5M2	ϕ	10.8
18	13	Ex Lands 10p	15	......	15	3.5	15.4
246	153	Geevor	155	......	12	2.3	11.9
18	9	Gold & Base 12½p	9	......	—	—	—
288	157	Gopeng Cons.	190xd	+5	‡14.25	ϕ	‡
73	55	Hongkong	62	......	—	—	—
58	40	Idris 10p	55	+2	6.7	2.2	18.7
11	7	Jantar 12½p	8	......	—	—	—
68	41	Kamunting 15p	45	......	7.0	1.2	23.9
165	135	Killinghall	135	......	48	—	15.7
192	106	London Tin 20p	158xd	......	7.0	1.3	6.6
220	93	Malay Dredging	181	+5	g43.9	1.6	9.3
41	22½	♦Pahang	37	......	Qh2.6	ϕ	10.8
65	41	Pengkalen 10p	46xd	......	7.0	1.0	23.4
102	75	Petaling SM1	100	......	—	—	—
23	8	Saint Piran	18	......	0.63	3.5	5.4
135	68	South Kinta (10p)	100	+3	9.5	1.5	14.6
180	73	Sthn. Malayan	142	+4	g43.9	1.4	11.9
83	41	Sungei Besi 20p	42	−1	‡6.0	3.0	‡
43	29	Sungei Way SM1	29	......	ZQ10	—	6.9
84	48	Tanjong 15p	52	......	4.35	2.3	12.9
75	50	Tongkah Hb SM1	53	+2	‡Q30	1.3	‡
93	42	Tronoh	63	+2	†4.02	3.5	9.8

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
112	52	Botswana RST R2	55	−2	—	—	—
390	196	Messina R0.50	290	+5	†Q35c	2.9	6.7

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
8½	3	Burma Mine 17½p	8	......	m0.5	—	1.7
65	17	Chaterhall 5p	44½	......	—	—	—
115	40	Colby Mines $1	70	......	—	—	—
760	360	Cons. Murch. 10c	730	......	‡Q130c	2.2	$
53½	29½	Laurasia	36	......	—	—	—
375	200	Northgate C$1	235	......	Q65c	1.0	13.2
211	80	R.T.Z.	185	+5	g5.51	4.4	4.6
135	47½	Sabina Inds. C$1	95	+3	—	—	—
81	45	Stanford Mines§	45	......	—	—	—
£12½	874	Tara Exptn. $1	£10⅜	−⅛	—	—	—
78	38	Yukon Cons. C$1	70	−5	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✤ Regional price.
- § No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat. yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. M Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

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FINANCIAL TIMES

Saturday November 8 1975

MAN OF THE WEEK

He needs nerve and wisdom

BY ROGER MATTHEWS

FOR THE past nine days, Prince Juan Carlos of Bourbon has been Spain's acting Head of State.

It is an equivocal role which tacitly admits the end of General Franco's 36-year-old domination of the nation but does not provide the substance of power to usher in a new era.

Yet the 37-year-old prince still managed to begin dramatically by flying to the Spanish Sahara *and taking responsibility for a* switch in foreign policy that complied with promises made previously to the United Nations but also brought Spain into a head-on clash with King Hassan of Morocco.

His initiative was immensely popular inside Spain and it endeared him to the armed forces, the support of which is crucial for whatever political liberalisation he is now considering.

As King of Spain, Juan Carlos will inherit responsibility for a nation that since 1939 has been ruled by the most durable of European leaders in modern *history*.

General Franco permitted no political opposition and no challenge to his supreme control, and it was through a mixture of *ruthlessness, cunning and eco*nomic incentives, that he controlled this diverse and exuberant people.

Upbringing

The Prince will obviously have to use rather different tech*niques*.

Perhaps the key to his character lies in his upbringing and education. The grandson of Spain's last ruling monarch, King Alfonso XIII, he spent his early years in exile following the collapse of the Spanish monarchy in the turbulent years before the Civil War. His father, Don Juan, the Count of Barcelona, although a bitter opponent of General Franco, still wished to see the young Prince brought up in Spain.

So at the age of nine, Prince Juan Carlos went to school in Madrid and increasingly fell under the influence of General Franco and the education that was planned for him.

The classic Royal progress followed with spells in the Army, Navy, Air Force and two years at Madrid University. An *average student, he is reported* to be a very capable pilot.

At about this time, General Franco took a more personal interest in the young man and *began quietly grooming him for* his future role. But it was not until July 22, 1969, that the Caudillo, his voice cracking with emotion, told the Spanish Parlia*ment that he was proposing Juan* Carlos as his successor. Naturally, the Parliament approved, although with very many private reservations.

However, it was not to be a "restoration" of the monarchy, but an "installation."

Unhappy

For 45 days last summer, during General Franco's previous illness, the Prince took over the duties of Head of State. It was an unhappy period, and many political figures with democratic tendencies blamed him for not acting more decisively. The Prince then vowed he would never assume temporary power again and changed his mind last week only after pleas from the Prime Minister.

His wide travels abroad, both privately and as an ambassador of the "new Spain," plus the fact that he was only one year old at the end of the Civil War are important factors in the formation of a more liberal approach, but they will be battling against his experience of power in Franco's Spain.

The Prince's army duties have left him with some military friends and a degree of support among certain officers which may be enough to ensure him of a *viable throne for some while.* But in the challenging world of Spanish politics, the Prince is going to need nerve, wisdom and a very capable Prime Minister, especially as *he has no proven* popular support and, like a Government Minister, is only holding his post because General Franco said so.

Mrs. Gandhi wins her election case appeal

BY K. K. SHARMA — NEW DELHI, Nov. 7.

THE PERIOD of uncertainty in *Indian politics* ended to-day when Mrs. Indira Gandhi, the Prime Minister, won her appeal to the Supreme Court against her conviction on charges of electoral *malpractices* and corrupt practices by the Allahabad High Court.

Mrs. Gandhi's election to the Lok Sabha (Lower House of *Parliament) stands validated* after the Supreme Court unanimously rejected the counter-appeal by her opponent, Mr. Raj Narain, and upheld Mrs. *Gandhi's election.*

The Supreme Court judgment removes the High Court bar. It would have prevented her seeking election to Parliament for *six years. This could well* presage a major change in Indian politics, and the likelihood of elections, as scheduled, next February is strengthened. *But for the present the state* of emergency proclaimed on June 26 will continue.

Large crowds gathered outside Mrs. Gandhi's house in New *Delhi to cheer and express their* support for her. An obviously elated Mrs. Gandhi made two speeches to them at the traffic roundabout near her house, *which was the scene of wild* scenes when the High Court set aside her election last June.

The Prime Minister said that the people should learn to stand alone, and quoted Rabindranath Tagore on the merits of self-reliance. It was apparent that Mrs. Gandhi had been invigorated by the Supreme Court reversal of her conviction on grounds of corrupt election practices, which principally *amounted to the use of Govern*ment officers' services to promote her election chances.

'Bad in law'

The Supreme Court nevertheless ruled as bad in law the new Clause 4 of Article 329 (a) of the Constitution, passed recently by Parliament to validate Mrs. Gandhi's election. This was the law, passed in August, which stipulated that the election of the Prime Minister and the Speaker of the Lok Sabha should not be challenged in court.

It also upheld the Allahabad High Court's rejection of Mr. Raj *Narain's contentions that the* "cow and calf" used by Mrs. Gandhi was a religious symbol, and that she had exceeded the prescribed ceiling on election expenses. These were the main reasons for her election being declared void by the High Court in its surprise judgment last June.

The Chief Justice, Mr. A. N. Ray, struck down Clause 4 of Article 329 (a) because it was "a declaratory judgment and not a law." The "constituent power" (legislature) could exercise judicial power "but it has to apply law," the Chief Justice ruled.

Mr. Justice Khanna *struck* down this clause on the grounds that it "violates the principle of free and fair elections, which is an essential postulate of democracy and . . . *is a part of* the basic structure of the Constitution." He said the validity of the other provisions of the Constitution amendment could not *be assailed on the ground either* of the wisdom of the legislature or the propriety of the detention of some Members of Parliament at the time of the passage of the *laws, as argued* by Mr. Raj Narain's counsel.

The Chief Justice's Court was filled to capacity by the time the five judges forming the Bench *entered at 10.30 in the morning.* Mr. Ray, the Chief Justice, was the first to hand down his judgment, and his colleagues followed him one by one in allowing Mrs. Gandhi's election, thereby closing an important chapter in India's history.

Dutch chemicals explosion kills 14

BY MICHAEL VAN OS

AMSTERDAM, Nov. 7.

FOURTEEN people were killed and 20 injured when a gas explosion ripped through part of a big State chemical plant at the industrial town of Beek to-day. Two of the injured were in a critical condition. The damage to the plant has been estimated at £10m.

The explosion, followed by a fire, occurred at 9.45 a.m. at a section of the petrochemicals facilities of Dutch State Mines. Together with Britain's National Coal Board, DSM also jointly owns the Nypro plant at Flixborough which burned down last year following an explosion in which 28 people were killed.

Two Dutch Ministers to-day visited the scene of the explosion, which was apparently caused by a leak of highly volatile gas from the naphtha cracker. It ignited tanks containing millions of gallons of petrol and liquid chemicals, badly damaging nearby buildings and DSM has closed other parts of the plastic production plant.

A hospital spokesman at Beek said most of the injured workers were hit by flying glass.

One worker said the blast caused panic, "people were thrown to the ground and glass was flying everywhere, a big cloud of choking gas covered the plant and nobody knew what to do."

It also destroyed telephone links in the town, seriously hampering rescue efforts and the nearby main road from Southern Holland to Belgium was closed, police said.

Ray Dafter writes: The Flixborough explosion has led to a fundamental reappraisal of safety measures connected with processing plants, much of *this work being carried out by* the new Health and Safety Commission. It is widely anticipated in the chemical industry that future plants, such as naphtha crackers, may have to be licensed on a similar basis to nuclear plants in the U.K.

● *TWO MORE victims of* Tuesday's Scunthorpe ironworks explosion died in hospital yesterday, taking the death toll to nine. Humberside police said the dead men were Kevin Elliott, 21, of Messingham Road, Scunthorpe, and James Borland, of Kings Court, Ashby, Lincolnshire.

State spending still ahead of increase in revenue

BY MICHAEL BLANDEN

THE GROWTH of central *Government spending* slowed a little last month but is still running well ahead of the increase in revenue.

The latest figures underline the reasons for the past week's criticism that Government spending was out of control and the Treasury's response on Thursday when it promised to publish cash limits on certain departmental programmes next year.

The rate of increase in spending is expected to slacken further as the year progresses.

But it is now acknowledged that the public sector borrowing requirement is likely to exceed substantially the originally forecast £9bn.

Mr. Christopher Dow, executive director of the Bank of England, told the Commons expenditure sub-committee on the finance of public spending on Thursday that it should be possible in the period ahead to finance the borrowing requirement without running into in*terest rate difficulties.*

But the Bank, as the Governor indicated in his Mansion House speech, remains very concerned about the inflationary implications of public sector spending.

Expenditure in October was 38 per cent. higher than a year earlier, while over the first seven months of the present financial year the total of £19.8bn. was £6.18bn., or 45 per cent. higher than last year.

Against this, total revenue receipts of £16.06bn. were up by £3.6bn, or 29 per cent. compared with the same period of last year.

The expenditure figures, cover*ing "supply services and con*solidated fund standing services," reflect substantial rises in a number of items.

The rate support grant for local authorities accounted for £1.55bn. of the increase, a rise of 70 per cent. compared with last year, while there was an increase of £840m. (45 per cent.) in spending on health and personal social *services.*

There was also a rise of £770m. (83 per cent.) in general assistance to industry including the first payment to British *Leyland, £596m. more was spent* on defence (up 26 per cent.) and compensation to nationalised industries for price restraint absorbed £468m.

Because some of these items are exceptional and because of the expected falling rate of inflation, it is expected that the rate of increase in expenditure will continue to moderate.

The 29 per cent. increase in revenue compares with the Budget forecast of a 19 per cent. *rise for the year as a whole.*

The increase over the estimate is due partly to a more rapid rate of inflation than anticipated. Out of the total revenue of £16.06bn., Inland Revenue receipts contributed £9.55bn. (up £2.25bn. compared with last year) and customs and excise duties £5.34bn., a rise of £963m.

Hassan's second 100,000 ready

BY OUR OWN CORRESPONDENT — RABAT, Nov. 7.

WITH NEARLY 100,000 Moroccan "peace marchers" facing the Spanish troops in the Western Sahara, there was still no hint of any diplomatic settle*ment* of King Hassan's conflict with Spain.

After a terse message to Mr. Jacob Malik, U.N. Security Council chairman, yesterday saying the march had started and that it would be peaceful, King Hassan virtually ignored U.N. appeals to call off his "green march."

Government sources said they were waiting for the results of the weekly Cabinet meeting being held in Madrid, and at present no fresh initiatives were contemplated from the Moroccan side.

King Hassan spent the day directing the operations from Agadir where an official source said a second huge wave of marchers—100,000—would start moving across the border. In the early afternoon another 45,000 started to move across to join *the 50,000-strong vanguard which* had spent the night sleeping in the open, eight miles from the border.

In front of the marchers lay minefields. Above, on the crest of a low ridge, the Spanish Foreign Legion was covering the scene with field guns and heavy machine-gun nests, backed up by armoured cars and spotter helicopters.

Officials at the scene said the marchers would be deployed on a wider front across the desert, instead of being packed together as they are now near the road, *notably by fanning out eastwards.*

This move appeared to indicate that they would try to get around the minefields which were thought to extend for about one mile on either side of the road which leads to El Aaiun, capital of the territory, about 45 miles away.

James Buxton writes: The Moroccan "green march" appears to have already achieved —at least temporarily—what is widely believed to be King Hassan's main objective in *Spanish Sahara: to stop the out*put of phosphate from the large Bu Craa mine.

Because of the confusion within the territory and the withdrawal of the Spanish nationals who operated the mine and the 60-mile conveyer belt connecting it with the Atlantic output has stopped.

According to Dynachim, a French research organisation *closely connected with the phos*phate industry, Morocco wants to see the Bu Craa mine closed, at least for a few years, in order to protect the high phosphate price *Morocco* is now obtaining. In 1973/74 Morocco increased the price of its phosphate from $14 to $68 per ton.

This price is now threatened by a world surplus of phosphate estimated at 10m. tons. The Bu Craa mine's potential output this year was 5m. tons—equal to half the world surplus. In practice its output is not expected to exceed 3.5m. tons, because of persistent sabotage of the conveyor belt by guerillas believed to be backed by Morocco. Now output has halted altogether.

It is reliably reported that when negotiations with Spain appeared likely to mean *Morocco's taking over the* Spanish Sahara, the Moroccan State phosphate company Office Cherifien des Phosphates (OCP) approached the buyers of Bu Craa phosphate offering to sell them Moroccan phosphate instead.

The French research organisation claims that the negotiations with Spain broke down because OCP was prepared to allow Spain to retain its investment at Bu Craa (which has a replacement value of $800m.) but not have *access to the phosphate reserves* valued at $80bn. or more.

This would have left the production facility starved of raw material. The talks also failed because Algeria, which has its own interest in the phosphate resources of Spanish Sahara, put pressure on Spain.

It is also claimed that repre*sentatives of at least one major* U.S. phosphate producer were involved in the Madrid talks which broke down last week. Spain apparently wished to see *Bu Craa owned by a joint* Spanish-Moroccan-U.S. company.

U.S. phosphate companies have close links with Morocco and a U.S. participation would, it *is argued, make the mine less* liable to nationalisation by the eventual Government of Spanish Sahara, whether that is Moroccan, an indigenous *Saharian government or any* other.

Spain is still believed to be trying to reach such a solution, despite Moroccan intransigence.

Weather

U.K. TO-DAY

MOSTLY dry with sunny spells.

London, E. Anglia, Cent. S., Cent. N., E., N.E. England, E. and W. Midlands

Sunny intervals, fog. Wind variable light. Some early frost. Max. 10C (50F).

S.E. England, Channel Isles

Variable cloud, bright. Scattered showers. Wind E. Max. 11C (52F).

S.W., N.W. England, S., N. Wales, Lakes, I. of Man

Sunny spells, dry. Wind light. Max. 11C (52F).

Borders, Edinburgh, Dundee, Aberdeen, S.W. Scotland, Glasgow, Cent. Highlands, Moray Firth, N. Ireland

Bright after local fog. Wind S.W., light. Max. 9C (48F).

N.E., N.W. Scotland, Argyll, Orkney, Shetland

Cloudy, coastal drizzle. Wind S.W., moderate. Max. 9C (48F).

Outlook: Mostly dry. Overnight frost.

Lighting-up: London 16.53, Manchester 16.56, Glasgow 16.55, Belfast 17.07.

BUSINESS CENTRES

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Amsterdm	C	11	52	Luxembrg	C	7	45
Athens	F	15	64	Madrid	S	13	55
Barcelona	S	17	63	Manchestr	S	7	45
Beirut	S	22	72	Melbourne	C	12	54
Belfast	S	9	48	Milan	F	11	52
Belgrade	S	10	50	Moscow	C	[illegible]	[illegible]
Berlin	C	8	46	Munich	C	6	43
Birmnghm	S	9	48	Newcastle	F	8	46
Bristol	S	9	48	Oslo	S	5	41
Brussels	C	10	50	Paris	C	9	48
Budapest	F	8	46	Perth	F	25	77
Cardiff	S	11	52	Prague	C	7	45
Cologne	D	9	48	Reykjavik	R	10	50
Copnhagn	C	9	48	Rome	F	18	64
Dublin	S	8	46	Stockholm	F	4	39
Edinburgh	C	11	52	Strasbourg	R	7	45
Frankfurt	C	7	45	Sydney	C	21	70
Geneva	R	5	41	Tel Aviv	C	22	72
Glasgow	C	7	45	Vienna	R	8	46
Helsinki	C	6	43	Warsaw	C	8	46
Lisbon	S	16	61	Zurich	C	6	43
London	S	10	50				

HOLIDAY RESORTS

		Y'day Mid-day °C	°F			Y'day Mid-day °C	°F
Ajaccio	C	17	63	Jersey	F	11	52
Algiers	C	15	59	Las Plmas	F	25	77
Biarritz	C	11	52	Locarno	R	9	48
Blackpool	C	9	48	Majorca	F	16	61
Bordeaux	C	11	52	Malaga	S	21	70
Boulogne	C	9	48	Malta	C	17	63
Casablnca	F	20	68	Naples	C	17	63
Corfu	S	19	66	Nice	R	15	59
Dubrovnik	F	17	63	Nicosia	S	23	73
Faro	S	20	68	Oporto	S	15	59
Florence	C	15	59	Rhodes	S	21	70
Funchal	C	19	66	Salzburg	C	8	46
Gibraltar	S	19	66	Tangier	S	19	66
Guernsey	F	10	50	Tenerife	F	20	68
Innsbruck	C	7	45	Tunis	F	20	68
Inverness	C	9	48	Valencia	S	18	64
I. of Man	C	10	50	Venice	C	12	54
Istanbul	F	13	55				

C—Cloudy. R—Rain. S—Sunny. D—Drizzle.

New York default fears affect lending rates

BY GUY DE JONQUIERES — NEW YORK, Nov. 7.

*IN SPITE OF the Federal Re*serve's easier monetary policy, fears about the effects of a default by New York City appear to be inhibiting a continuation of the recent *decline* in U.S. banks' prime lending rates.

At the same time, money market analysts believe that the Fed has room to relax credit policy a step further without compromising its longer-range goals, because of the extremely sluggish performance of the money supply in recent weeks.

This morning First National City Bank, which uses a formula linked to the yield on commercial paper, cut its prime rate to *7¼ per cent. from 7½ per cent.,* the third reduction in the past fortnight. But no other major money-centre bank followed suit immediately, and there is some *doubt about how quickly they* may move to the lower rate.

Unlike commercial paper rates, which have fallen further recently, the yields on bank *certificates of deposit have been* rising in the past few days because of concern about the effects of a default by New York. This increase has particularly affected big banks in New York, eliminating the cost advantage they normally enjoy on borrowed funds.

At the same time investors seeking maximum security in anticipation of a default have stepped up purchases of U.S. Treasury bills, thus pushing *down bill rates. In the past week* the average spread between rates on 90-day Treasury bills and 90-day bank CDs has doubled to more than 1 per centage point.

THE LEX COLUMN

Volume boost in equities

After last week's abortive attempt the equity market has at last broken through its June peak with a rise of 18 points in the 30-Share Index during the past five days, the first half of the Account. The volume of *business has picked up sharply;* average bargains marked this week were the highest since May, and cash turnover topped £100m. on Thursday, when the speed with which £17m. worth of Shell was placed said something about the willingness of the institutions to absorb good *quality stock*. Rights issues are still not appearing on any substantial scale: British Home Stores was the only sizeable contender this week.

There is no common theme among the better performers, and share prices are responding more to individual circum*stances than to sector trends.* Whereas Marks and Spencer has underperformed the market since its figures, Boots has been *particularly firm* ahead of its results next week. This selectivity looks healthy—much more so than the fads and fashions which tend to come into their own near a market peak.

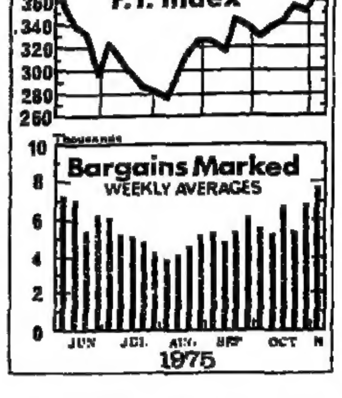
But the strength of equities has still not had any support from gilts, where although the short tap *Treasury 9 per cent.* 1978 "B" is believed to be close to exhaustion there is still very little business. The IMF news had little impact yesterday, but there was a slight fall in the Treasury Bill rate (not quite enough to push MLR lower) and there is just a feeling that the market may be setting itself up for another rally some time in the near future.

Index rose 3.3 to 369.3

Chemicals

It may be too soon to talk about a sustained recovery, but at least it looks as though one of the worst recessions ever experienced in the international chemical market is finally drawing to a close. Changing patterns have already been apparent in the U.S. for some months now—Du Pont's earnings rose more than threefold between the second and third quarters, while Dow's third quarter was actually ahead of *1974 levels. Outside North* America, Shell says that the steep fall in its chemical earnings ended during the late *summer*, and that prices have recently hardened slightly. Yesterday, the German chemical industry association was reported to have said that although life was still very hard, some recovery was at last under way during the final three months of the year.

In the U.S., the index of chemical industry output has risen by more than an eighth from the low point this spring, shipments of man-made fibres have risen to record levels, and plastics output seems to be picking up steadily. Demand remains much more sluggish in most areas of Continental Europe, but price increases are *now starting to stick.* In September, BASF led a round of increases by all the major plastics manufacturers, and although prices here are still below mid-1974 levels, Hoechst, Bayer and BASF all confirm that there should be some profits recovery in plastics during the final quarter of the year.



Fibre prices, too, have been moving up since September. Although the background in France still appears to be bleak, the *latest production indices in* Germany are showing signs of stability. Bayer has already announced plans to reduce *short-time working following* signs of an improvement in trading conditions.

This is unlikely to show up *in third quarter earnings state*ments, and question marks still hang over the current year dividend prospects of a number *of the European majors. How*ever a recent newsletter from brokers Hedderwick Sterling points to "definite signs" that the chemical sector is beginning to emerge from the recession—about six months behind the U.S.—which could be reflected in much improved profits during the first few months of 1976. This view gains support from the share price strength of the German majors in the past week or two, which follows a dismal price performance in the market for most of this year.

Although the U.K. industry has suffered less than others during the recession, there can be little prospect of any real *recovery in domestic demand* for some months to come. But if 1975 really is going to mark the nadir for an international stock like ICI, the market might just start to think again about a current rating which is no better than the averages.

British Anzani

British Anzani's recent history provides an ideal parable for the 1970s of the temptations and pitfalls of property. Back in the late sixties, the company had a mixed bag of scrap metal, paper converting and engineering interests with an indifferent record. It then decided to develop an old quarry site with warehouses. This was extremely successful, and the ambitions started to mount, culminating in 1972 with a £10m. project in Felixstowe "to serve international trade." At this time, *the word "Engineering"* was dropped from the title. The shares responded to the mood by rising nearly five times between *1970 and 1972 for a p/e of 50:* paper bids inevitably followed, with the trading side being steadily downgraded in relative importance.

But the illusions were quickly shattered, and by October 1974 the chairman was saying how fortunate the group was in having non-property trading interests. There was still a loss of £900,000 before tax (and exceptional write-offs of £749,000) in the year ending March this year. And although rental income could rise by about a third on the 1974-75 figure of £1.13m. the group is again likely to make a loss this year. The snag is that continuing committed development *spending has pushed up borrow*ings, all short-term—from £14.5m. to about £17m. last year, and slightly further since *March. This leaves a debt/* equity ratio of 2½-to-1 at best; the current share price of 11p —for a capitalisation of £2.9m. —is a 1975 low and barely above the level of a decade ago, when the name for development sites was quarries.

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